NATIONAL AFFAIRS.

SPEECHES

OF

WILLIAM SPRAGUE

IN THE

SENATE OF THE UNITED STATES,

March 15, 17, 24, and 30, and April 8, 1869.

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THE FINANCIAL CONDITION.

SPEECH

OF

WILLIAM SPRAGUE,

IN THE

SENATE OF THE UNITED STATES,

MARCH 15, 1869.

THE FINANCIAL CONDITION.

MR. PRESIDENT: It is not my intention this morning to make a speech, or to enter into the discussion of this question by any show of statistics, or any details that will weary the Senate, or be tedious to my listeners. I have thought of this subject of finance with a great deal of anxiety. I have brought to bear upon its consideration the position in which the industries of the country are placed. I have compared those industries with the industries of other countries, and I have also compared the plan of finance which governs and controls our affairs with the plans of finance which govern and control the affairs of other countries. And, sir, I am weighed down with anxiety when I contemplate the ruin in store for us, unless we pause in the forced policy we have been pursuing since the close of the war.

When the Duke of Wellington conceived the idea that the English troops could fight in two ranks, and thereby, in his judgment, overcome the masses of French infantry, then domineering and triumphing over all Europe, he became tired and weary in the contemplation of that subject, and, obtaining leave of absence from the Indian government, reported himself at home and obtained employment. And with that simple idea in his head, he stationed himself in the Peninsula, and with the troops of whom he had charge, and the fortifications he found it necessary to build, he pursued his idea, and triumphed in his turn over Napoleon, who had subjugated Europe and triumphed over the best generals that the allies could bring to bear. I mention this to show that there are little things which govern the greatest of human affairs.

A few weeks since, in order to understand something of the condition of the South, I visited Georgia, and naturally was invited to inspect a cotton-mill. In the city of Augusta, Georgia, is a cotton-mill that to-day will surpass, and does surpass, in the success of its operations, the best one in New-England; and the

secret of that success lies in the turn of one roll where the cotton is delivered on the spindle; it turning one hundred and fifteen turns to the minute, while others in New-England, and even by the side of it, turn ninety or one hundred.

Columbus, after he had discovered America, was asked at a festive board how, among all the people of his time, he should have discovered the New World. He asked them to stand an egg upon its end. They made every effort to accomplish the purpose, and, failing, looked to him. Cracking the egg on the end, it stood. It was sufficient; they understood him. Now, I send to the chair my proposition of finance, and ask that it be read. I do not offer it as an amendment, but simply as a paper on which, and on which alone, in my opinion, the financial problem can be solved.

The VICE-PRESIDENT. The Secretary will read the paper.

The Chief Clerk read as follows:

That the President nominate, and by and with the advice and consent of the Senate appoint, a commissioner, a deputy commissioner, and twenty-four judges of finance, to be selected from among men of wide experience and marked skill in business, exclusive of those engaged in banking, to examine into the English system of finance, touching the reception and disbursement of the national income, and to report at the next session of Congress a plan for the reception of the national revenues into the Treasury and the disbursement thereof, and to disconnect from the Treasury its jurisdiction over national banks. This power vested in said commissioners shall be so directed as to obviate the scarcity of money and high rates of interest, caused by the withdrawal of Treasury revenues from the market, by keeping daily in the market the same sum as is received into the Treasury, and to place the same on the market at such points as will check the increasing rates of interest, and increase capital while decreasing the cost thereof.

Mr. SPRAGUE. It will be seen by that paper that my opinion is not favorable to an increased issue of legal tenders or of national bank currency. It will also be seen that I am not in favor of a repudiation of the national debt. But, sir, I do not sympathize with that class of men who are holding up to the gaze of the people of the United States the sacredness of that debt. I was opposed in your caucus, Mr. President, to an amendment of the Constitution giving undue protection to that debt, and I am also now opposed to any reiterated protection by the law contemplated by the bill before the Senate. I do not think that there is much sacredness in the issue of bonds for the Pacific Railroad, which has become a part of your national debt; and I see nothing sacred in the thousand and one unnecessary appropriations constantly made at each session of Congress.

The great bulk of the debt of the nation has been created in pursuance of a necessary and important object, that of main-

taining the territorial integrity of the United States. In Great Britain to-day, the profits on almost any one of her great industries—her commerce, her manufactures of iron, or of coal, or of cotton, or of wool—are sufficient to pay the interest on her national debt. But is it the part of a people to drift into the condition of Mexican society, where the national debt is an oppressive burden to the community? If those whose business it is to make light the public burdens neglect, either from ignorance or from any other cause, to pursue a policy that will relieve instead of a policy that will destroy, if the people of this country are to-day, in consequence of the public debt bearing heavily upon them, drifting, as I verily believe, into the condition of Spanish and Mexican society, would any one demand that state of slavery rather than a cancelation of the debt?

Sir, you have provided for wholesale repudiation of private debts by your enactments at recent sessions of Congress. You can cancel debts between individuals, between the citizens of the country; but you look with holy horror upon a suggestion that if you pursue a policy of destruction this incubus will be sloughed off.

The Senate must know facts connected with the industries of this country. I told you, two years ago, that you had lost, or would lose if you were not exceedingly careful in reference to your future legislation, your monopoly of cotton, and nobody believed it; nobody will believe it now; but let me tell you that you have lost forever your sea-island cotton. Go to the South and make inquiries there. It is a thing that was, and the whole South is to-day trying to find a substitute in the rami or China grass, that will grow more prolifically, whereby they can replace that which has been lost. I tell you, sir, that in five years under the system of finance pursued by the projectors of this bill, that which of itself was a monopoly and has now ceased to be a monopoly, will cease to be a profitable business to those who are engaged in it. It may be that some of my friends from the South are watching the encroachments made upon that interest in Egypt, in India, and in Brazil.

The last statement from England of the receipts of that fibre shows a marvelous increase; one half of the cotton used by Great Britain is to-day received from Egypt, India, and Brazil; and the cotton produced by India, by Egypt, and by Brazil, is equal for all necessary purposes to that produced in this country.

But I have another point to urge upon the Western men of this Senate; it is that the boasted strength and prosperity of that section is but a shadow; and I point to the reports of the pro-

duction of one article which is but a representative of all the others, wheat. It is the deliberate judgment of men who have statistics in their hands and are acquainted with this subject, that in the old States, on the old lands, exclusive of California, five bushels per acre is the amount of the crop on the average produced in the Western States, and that, including California and all the new lands that are taken up, eleven and a half bushels to the acre is the outside figure. What is the production of England, Ireland, and Scotland? Twenty-eight bushels per acre. Now, let me ask what prospect there is of the farming interest of this country competing in the markets of Europe? Sir, I do not care how large a product may be made by the American producer, if it costs him more than he gets for the article he produces, there is no wealth to him and no wealth to the nation.

It is within my own experience that the capital required to do the same business in this country beyond that required by the man doing a similar business in Great Britain, is more than three and a half times as much; and I illustrate it in this way: The English manufacturer plies his spindle at eighty cents, and does his business upon a capital to employ that spindle of eighty cents; the American manufacturer is compelled to employ a capital of $2.75 for a single spindle.

That is answer enough as to whether the volume of currency per head here, if equal to the volume of currency per head in Europe, is sufficient for this country. That is but one illustration; but it illustrates the whole business of the country, mechanical, farming, and manufacturing. It is a case in point and illustrates the whole. Every thing is in just that situation.

I will give you another instance to complete the picture. We make horse-shoes in this country, and it costs, without counting the capital invested, five cents per pound for each shoe. I can go to Canada and have them made for two cents per pound. The disparity is two cents there against five cents in this country. Is it known to the Senate, or to any body, that in every article that is produced in this country, whether it is an article of mechanics, manufactures, or agriculture, a very large element of the cost is the price paid for capital? Take, for instance, corn at fifty cents a bushel. Two thirds of that fifty cents is the cost of the capital employed in the production of that bushel of corn.

Every body in this country is willing to admit that we are wanting in capital, and that any measure which will tend to create capital in this country is that which is desirable beyond all other things. Now, I tell the Senate and I tell the people of this country, that the policy pursued from the beginning, of contrac-

tion and a constant indorsing of a public debt, has in effect driven capital from this country, made that which was scarce still scarcer, ruined your commerce, your manufacturing, and your farming, and even the bankers themselves, who are now constantly at your bar begging for some help—even they, eating their own words, admit that they are losing from day to day the business in which they were heretofore engaged, and they are giving it up by force to such interlopers as Fisk and Gould, and can not help themselves. They are tied hand and foot as surely and as certainly as they have tied this Senate and this country; for who ever heard of a policy that would drive a public debt or a private debt into the hands of the people of other countries? Why, sir, that absurd doctrine was given up two hundred and fifty years ago. In Elizabeth's time, the whole people of Great Britain were agreed that the public debt was a capital, and the interest from time to time paid on that debt should go to increase the capital within the territory of Great Britain, and by that increase her industries became more prosperous. But, sir, on the other hand, we have been trying to force beyond our borders the very thing on which and by which alone we are able to do our business. Bonds, currency, interest, are capital, and you can not separate one from the other.

But, sir, look and see what you have done with the banking capital of this country. It is an interesting subject to contemplate. There are $420,000,000 of national banking capital, and what have you done with it? I will show you. Three hundred and forty million dollars are locked up in your Treasury as security for circulation; $37,000,000 are locked up to secure deposits; there are $36,000,000 of bonds otherwise; there are $20,000,000 of other stocks and bonds. Then a large amount of the capital, in the shape of legal tenders, compound interest notes, and three per cent certificates, is compelled by law to be hoarded in the banks.

This whole capital, with from sixty to eighty millions besides, is forced into a dark corner. All there is now on which the industries of this people can be conducted is what little national bank currency there is afloat and the Government legal tenders, which by statute are constantly being reduced and hid away in the vaults of the banks. The interest that is paid by the borrower to-day is just double what it was at the close of the war.

I have said that the capital required by the farmer and the mechanic in this country, over that which is required in Great Britain, is three and a half times. Add to that the double rate of interest, and it is unnecessary that you shall pursue your inquiries one step further to understand exactly where

the evil is in your financial management. It is just there and nowhere else. Great Britain's system of railroads, based upon her low interest and abundant capital, will carry a ton of coal one hundred miles for what it costs me in this country to carry a ton of coal three miles. I pay for carrying a ton three miles as much as the manufacturer in Great Britain pays for transporting it one hundred miles.

All these things are true; there is no mistake in one of them; and there is no necessity whatever to surmise or to speculate as to what is the cause of the present disturbance in business. Go ask any distributor of goods in New-York or Boston what is the condition of their accounts for the past three years touching the payments of the debts made by the West, and there is not one of them who can show that he could pay his interest and his rents. There is not one of them who, if he tells you the truth, will not say that he is in debt; the poor debts that have been made, the failures that have occurred, have been greater than all the profits made from business; and they will tell you again, that the securities otherwise in their possession are weakened twenty per cent.

How long, I ask, can a country pursue that sort of business and be assured at all that it can maintain any value for its public debt? Some people — and there are such here in the Senate, perhaps—will say that the recent advance of your bonds in Europe was caused by the proposition now before the body. There are some people who will believe even that that is the fact. Well, sir, if it is any satisfaction for them to know it, I can state that at the same time, and from the same cause, the Government bonds of Turkey assumed a similar relation as to price; they advanced about six or seven per cent. The cause of it was simply that the English capitalists had taken two or three per cent long enough, and they were willing to take greater risks and obtain securities that would pay a higher rate of interest.

Some people, too, will say that the rise in the value of your currency was occasioned by some remark that has been made by somebody, or some resolution before the bar of this Senate, or otherwise; that that was the cause of an increased value to your paper. What was the cause? This rise in the value of your securities drove them to Europe, and drove to Europe the capital on which your business was done, and exchange has been drawn against them coming in competition with gold, and the result was inevitable. Sir, that was the cause, and no other. The idea of resolutions like this before the Senate or anywhere else, or articles in newspapers, or speeches made by any body, having an effect upon the price of gold or the value of your

bonds, is the most complete absurdity that ever afflicted the brains of sensible men.

Congress and the Supreme Court seem to be acting in accord on this subject. My friend from Indiana [MR. MORTON] in his remarks the other day, told the Senate that the second section of the bill was in qualification of the dangerous influences connected with the recent decision of the Supreme Court. As my mind is not taken up with any of the ameliorating projects, or any of the medicines that are used to cure this disease, I had not paid any attention whatever to the merits of that section in detail; but it was the business of somebody to take some notice of it, and my friend from Indiana was correct in the judgment he gave, and the Senate, led by outside influences, by men who have given this question no study whatever, were wrong, and I will show you how. I read from the *Bankers' Gazette* of Friday, March 5th, 1869; bankers tell the truth sometimes:

"Since the late legal tender decision of the Supreme Court authorizing contracts to pay coin, lenders feel more at liberty to demand coin interest, and the banks and conservative private bankers who heretofore have declined to accept more than seven per cent in currency, now feel less hesitation about asking gold rates when the condition of the market enables them to do so."

In the interest of high cost of interest, in the interest of protection to capital, the capital now absorbing all the best interests of this country, to destroy them. If I should say to any body that it is my deliberate judgment that this Government has failed in the object that it was intended by its projectors to secure, I suppose I should be scouted at. But, sir, when I compare the situation of this country to-day with the situation of that country from whence we sprung, I find that not only in capital, but in general intelligence, in education, in liberty among the people, they far exceed the privileges and the power of the people of this country. They are increasing in a ratio most astounding in education and in the refinements of life, as the statistics show. After the convulsions which racked this continent, and considering the intimate relations that subsist between this country and Great Britain, what was the effect of our war upon that nation? A simple Fenian commotion; and that was all. Look at her commanding one fifth of the territory and one fourth of the population of the globe; her commerce occupying prosperously and profitably every sea; her industry permeating and being introduced into every market in the world, standing strong, able, and powerful everywhere. And where are we? All we have to help ourselves in the world is our cotton, which we are about to lose, and our tobacco, which we shall lose.

My friend from California (MR. COLE) will say that we have the production of gold. Sir, that bears the fortune of cotton, and wheat, and every thing else. You find in the gentleman's own State that the high price of capital and its scarcity, made so by your acts, have driven men from the production of gold into farming and wool raising. The paper I have before me shows and criticises the immense falling off in that production.

What, I ask, are you to rely upon to sustain the price of your public debt, when there is no profitable occupation for your people? Will this bulling operation that you have tried for the past three years have any effect? What will this proposition of curtailing the currency, in order to increase its value, effect? Nothing but the same old story: want of prosperity, want of employment, and a condition of national indebtedness like that of Mexico. Why not have made an effort to restore prosperity to all the branches of your industry on which to have floated your debt and maintained its price, rather than, by constitutional amendments and by statute law, be constantly making an effort to bull up the price of your national securities, driving what little capital there was left into their investment, and depriving every industry of the necessary means to carry it on?

I do not sympathize at all with any of these projects for paying the five-twenties in greenbacks or legal tenders, because that will be depriving the Government of full value for what they gave, and it will be robbing the people; for the introduction of an additional amount of currency, not heretofore well settled, not heretofore permeating through all the avenues of business and trade, will, for the time being, depreciate the value of all, and that capital being the only capital that the people hold, they would be robbed by any such increase of issue. If those whose business it is to look well into this question, will examine the policy pursued by Morris when closing up the business of the Confederation after the Revolution, or by Hamilton in reconstructing the finances on the formation of the Constitution, or by Dallas when correcting the evils growing out of the war of 1814, and will embody upon our system the theory and practice established by those men, the country will ask for nothing better.

The country and its business interests were prostrated to the very dust three months ago by the retirement of $6,000,000 of currency by speculators in New-York through Fisk and others; and yet last month there was drawn into the Treasury $13,000,000 more than was distributed to the country—enough to stagger even the strength and stability of Britain's finances. No

nation under heaven can stand that draught upon it, can stand the scarcity produced by that result. And yet people wonder why we are so affected by the rise and fall of gold; and we say it is owing to the fact that we are not paying specie. Sir, if you forced yourself into a condition of the payment of specie to-morrow, you would not have benefited your position one iota. The same scarcity of capital, the same high rates of interest, would exist then as exist now; and that condition of things being so, you could not raise wheat in the West, we could not manufacture in the East, and we should have nothing to do to employ our commerce, nothing whatever to give to our flag on the sea.

It is said that the tariff is the cause of these high prices. I deny it. If you will give to me a system in your Treasury that will let the money out of it at a given rate as fast as it is received, I, for one, will pledge myself to advocate the repeal of all your tariff laws in five years. We ask for nothing in this country, in my judgment, but the reception of the revenues upon the market to control capital in the interest of abundance and a lower rate of interest. Give me that, and I will be your strongest advocate for a repeal of all your tariff acts.

We condemn speculators, and gold gamblers, and stock-jobbers. I have been led into that error myself. But, sir, those gentlemen but occupy the position that they have been taught to occupy, and they avail themselves of a perfectly legitimate trade and business. The fault is, that the Congress of the United States, under bad advisers, leave open the opportunities for money-making in that department, inducing the people of the whole country who have capital to employ their means in those operations, withdrawing them from the business interes s ofthe country. Sir, you set the example of speculation when you, in order to create a better value for your legal tenders, make them scarce. What more have Drew, and Fisk, and Gould done?—and yet you condemn them. What more did Vanderbilt do, when he convulsed the market in his efforts to place Harlem where he did? You do the same thing exactly, under the sacred sanction of law and in behalf of a great people. You are a stock-jobber and a gold gambler, as much as any one of them.

If the country is prosperous, why is it that you are convulsed with failures and bankruptcies? Why are your newspapers and your courts filled day by day in every village, in every town, and in every city of this country with accounts of bankruptcies? There were twenty-six hundred failures in 1867, twenty-six hundred failures in 1868, and God only knows what will be the extent of them for 1869.

It is said that the Parliament of Charles II. was more suc-

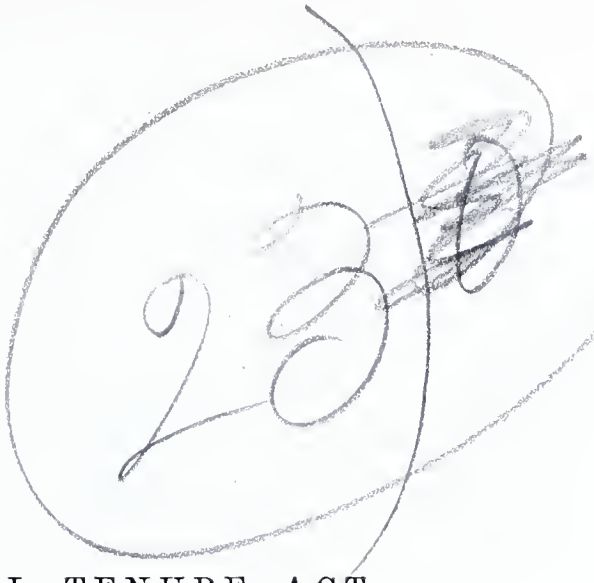
cessful than any of its predecessors. It was in consequence of its repealing most of the laws that had been enacted centuries before. This Congress may with profit follow its example. They will do well to look back, and take back the acts which have tied up the capital of the country, or forced it beyond the uses of its people.

I did not intend, Mr. President, when I rose to my feet this morning, to occupy the time of the Senate so long; and I beg pardon for having done so; but the subject has worn upon me, and the thought of the condition to which this country is certainly drifting, and the fact that those around me would not listen, nor will they believe what is the true condition of the country at the present time, the fact that no impression can be made upon any body about me, makes me sick at heart and almost unable to move. I would not have occupied the attention of the Senate for a moment, if that condition of things did not exist. Sir, if there was any credit, or if there was any advantage to the country in the position taken by me in the beginning of this war, if the force of that example amounted to any thing, or if I have ever done any thing in the course of my life of advantage to the country, this of giving the exact condition in which the country is placed, transcends them all.

The Dutch said to the English somewhere about the middle of the sixteenth century, "So long as you are jealous of our financial policy, we shall continue to be mistress of the seas; we shall continue to do the manufacturing and the weaving for the continent and for the world." When the Dutchman succeeded to the throne of James, after the revolution of 1688, England obtained the Dutch system, and from a power less than Holland at that time, with an income not as great as that of Holland, and not one fourth that of France, in thirty years she triumphed over them all. Preëminent stand William of Orange and William of Nassau—one giving liberty to his country in his contest with Charles V.; the other giving liberty, civilization, power, to the English nation superior to that of any nation, ancient or modern.

I have illustrated in two or three little things to show that it was the most trifling appendage almost to your Treasury that had determined all these things; and if I can call the attention of Senators to that one point, and if they will look at it as they look at any other subject which occupies their minds, they will give to their country a position equal to that now held by England with every other advantage beyond that of any people in the world. With this financial system fully established, the career of this people in development in every direction will be the wonder of this age and of this period.

Sir, I do not expect to influence the passage of this measure. I tell the Senate that every word that I have said as to either what is or what it is to be, may be relied upon. There can be no mistake in the things that I have given, because they have been found established on facts, upon the exact situation in which things are. I could give the record for them all, but I forbear; I know they will not be read. If, therefore, I have drawn attention in a different direction from what has been heretofore given to the Senate, it is because I have studied this subject in the direction through which Great Britain has obtained her successes, and by which we can obtain similar successes. I know of no other way to understand a question, than to compare the condition of things in a country embarrassed, with the condition of things in a country that is prosperous. I ask attentive consideration of the suggestions I have made, not expecting to embarrass particularly the passage of this measure, but still being opposed to it as being similar in its character and tendencies to the whole financial system which has embarrassed the country for the past three years.



THE CIVIL TENURE ACT.

SPEECH

OF

WILLIAM SPRAGUE

IN THE

SENATE OF THE UNITED STATES,

MARCH 17, 1869.

THE CIVIL TENURE ACT.

MR. PRESIDENT: I disclaim any disrespect to this body in the words I am about to utter. I believe I have discovered the cause of much of that which, in my judgment, has been pernicious in the legislation of this country from its foundation to the present time; and it is in the discharge of a public duty that I am called upon to take the position that I do with reference to the individual composition both of this body and of the other House. He is a bold man who attempts to assert himself on this floor at any time contrary to the prejudices or the general opinion of the majority. I felt it the other day when it became the province, as is sometimes the case, of the Senator from Maine [Mr. FESSENDEN] to lecture this body as to its duty. When it was in the province of those who advocate the entire repeal of this law to suggest that it should be done in consequence of the distinguished character of the President of the United States, he endeavored to show that all such reasoning did not belong to this body. His argument established sufficiently that although in his judgment the act should be repealed, yet it should be repealed upon no such argument; and led to the conclusion, in my mind, that, although he apparently favored the measure, he would prefer to be overruled, as he put in the minds and the mouths of those who were the opposers of this bill arguments to sustain their positions.

Again, when I listened to the arguments urged upon this body by the Senator from Michigan, [Mr. HOWARD,] his use of the expression "where thrift may follow fawning" made an impression on my mind that remains with me to-day. If this body needs such a correction as these words imply, it is a body that ought not to have charge of the distribution of the honors, the emoluments, and the prerogatives of office. Again, when I listened, as I did, to the champion of this measure, the father of it, the eminent Senator from Vermont, [Mr. EDMUNDS,] and heard him give to this body the discussions upon this question in times

gone by, and in a tone of voice ridiculing, until he excited laughter, the assertions of those who deemed that the clothing of the Executive with the power of removal was not detrimental to the liberty and prosperity of the country—and viewing the question as it is, and this Congress in its attitude toward the Executive—I could not but be reminded of that passage in ancient history where a tyrant, by his own hand, ignited the flame which destroyed his city, and fiddled and laughed in the midst of the destruction. Sir, in my judgment this is no time and no occasion, and the bill itself is not such a one, as to create laughter either here or in the galleries.

There is, in my judgment, a new phase in the construction of government, and it belongs to this nation alone to solve it. It is one of the difficulties and one of the dangers that are disguised, and in consequence of being disguised the danger is the greater. I refer to the composition of this body and the other House; and I ask if it is known to this body—I am sure it is not known to the country—what has been the individual education, practice, and employment of the men who constitute this body and the other House? You and the people of the world have looked with suspicion upon the clothing of one man with absolute power, and you have also looked with suspicion upon the clothing of one class of men with absolute power; but you have never yet examined the case in the aspect of clothing one profession, educated in one line, with absolute power; and I come to that consideration to-day. It underlies the whole question; and all the arguments that have been made upon it fall to the ground when you come to analyze the composition of the Senate and of the other House of Congress. I do not level my shafts at any one man or any particular set of men, or even at any profession; but I do level them to-day at men educated in a particular line, wherein shall be the fountain of honor and legislative power and veto upon all treaties; in fact, an absolute veto upon every thing that concerns the people.

How is this body composed? Of sixty-six members, forty-five of them have been educated as lawyers and practiced as such, five of them in the same kind of education and of thought, and the rest more or less governed by the teachings which the body thus augmented through one profession gives to the remainder. That is the composition of this body. I have examined partially the composition of the other House, and I find that the preponderance there is even greater; that from some States the representation is entirely from the legal profession—from those educated in one line, practiced in one theory and idea; and it is to them that the liberties, the interests, and the necessities of a great people are confided.

While we have sixty-six members constituting the Senate of the United States, Great Britain has four hundred and sixty-two members in its corresponding legislative body. While we have to-day two hundred and five members of the House of Representatives, Great Britain has a representation from all the people in the House of Commons of six hundred and fifty-eight. The little State of Belgium, that shames all your legislation to-day, has nearly as many members in her Senate as constitute the Senate of the United States; and with a territory hardly greater than the little State I represent, she has a house of representatives with more than one half the number of members that constitute the other House of Congress.

Sir, it has been my judgment that there should be some check upon the executive power as regards offices. In fact, and I state it here, it was my judgment at one time in the consideration of this question, before I came to analyze the construction of the Government itself, that the gain to the country, to the liberties and the advantage of the people, by the restrictions placed upon executive power, was even greater than that arising from the abolition of slavery. So, sir, there must have been a great change in my mind after having come to that conclusion, and when that change has been made in consequence of the construction of the Government itself, you may know that it has made a deep and lasting impression upon me.

Now, sir, we have a government of lawyers and judges—educated in one line, practiced in one pursuit; educated upon the quarrels and the exhibitions of the worst passions of human nature; practiced in the dissensions, influenced by the vices of the people. It is such a judgment that is brought to bear upon every thing connected with this Government, and it is that condition of mind which is brought to legislate upon the interest, upon the honor, and upon the advancement of a great people. I, for one, in looking back upon the past history of this country—and the people, whatever philosophers may say, will come to the same conclusion—have come to believe that your war has not been won for the liberties of any class of people; your war, just partially concluded, has had no high virtuous principle at the bottom of it. It has had simple contentions for power, for place, and for occupation, commencing here in this body and permeating throughout the country. You have, by the contentions beginning here, through the ambition of one class of men, built up two great, two powerful bodies of people, and you have built them up for a purpose—that they might unite with your own ambitious ends for office and place and power; and you have gone from here to your respective peoples, both North and South, in order to create great opportunities that you might go

on in that way prospering in employment and in office. If the philosophers of this age do not give that exact pitch to the tests about us, I am most sadly in error.

Look, then, upon the question as it stands. You desire to share in the power of removal from office, which is, in fact, absorbing to yourselves executive power. What is the rule by which you determine who shall be officers and who shall not be? The appointments of the President are sent here and are referred to your committees, five or seven constituting those committees. Three or four determine as to whether a nomination shall be confirmed, and that decision is determined—how? It is determined by the views of the Senators of the respective States, either where the nomination is to be made, or where the person that is to be confirmed hails from. Thus, sir, there comes in contact one man in this Senate with the President of the United States, the President of the whole people, and one interested. How? One interested to promote his own position and strength at home; one without responsibility, while the President is responsible to the great people as to the faithful execution of the law. Can your test stand one moment in the face of that fact? I do not believe it.

It is a dangerous thing with this body, thus constituted, for one not familiar with it to stand here and advocate that which may be in opposition to the general sentiment. For six years, for myself, I would rather have stormed a triple line of presented bayonets, or a park of artillery in full play, than to have stood on this floor and advocated any ideas I might have had. In fact, advocating those ideas, commencing at the beginning, I should have lost them, from the indifference, from the inattention, and from the contempt, received by one not educated to familiarity with debate, and not in the confidence of the floor. It is not only in my own person that I have witnessed this inquisitorial policy. There are those around me who have not yet recovered from the stings of the influence of the majority of this body, for standing up as they were determined to do for their duty as they understood it.

Is this, then, a body that shall exercise the supreme power in the Government? Is this the fountain from which shall come, pure and unadulterated, honors to those who seek them from genuine qualifications, or from the performance of services to their country?

Sir, in analyzing the action of both branches of Congress in reference to that subject whereof they ought to know more than any other—and that is the construction of their own courts—what do they give to the country, what do they give to the people who appear before them? In my judgment, there has been

exhibited more niggardliness, more parsimony, and more selfishness there, than perhaps in any other branch. If I wanted any judgment, it is just there that, condemning themselves, they give me a warrant for condemning their action. It is in your own position toward those subjects with which you are most familiar, and ought to be able to better judge.

Mr. President, it is not an evil of to-day that we have to complain of; it commenced with the foundation of the Government. I do not look back with the eyes and judgment of those who commend every thing of the past, as is the habit of almost every body who speaks on this floor or elsewhere. I am not one of those who speak with great pride of the Constitution of our fathers, or of the acts and laws they have given us; nor do I look with any very great pride to the consummation which we have just witnessed, and to the practice since the war, in our efforts to reconstruct government or to settle the disturbances in the political, civil, and material affairs of the people. Two elements have entered into the construction and the prosperity of this people; the first was negro slavery, the other foreign immigration. It will not do for legislators, or others, for one moment to think that this country has been developed at all in consequence of the liberty given to individuals. Slavery stimulated the growth of cotton, and it became a monopoly by which and through which our Northern country was developed and built up by railroads and other internal improvements. Added to that was the immigration induced by that circumstance. I remember hearing from my father the condition of the section from which I come, prior to the development and increase of the results of slavery. Then the people were poor. I admit that the politicians and members of the legal profession had every thing to do with building up both; but I can not commend a policy that creates two great powers simply for their mutual destruction. If there is any merit in it, it does not belong to my vision to see it.

In my judgment—and it is in the performance of a conscientious duty that I raise the question—the subversion of this Government is in consequence more of the position and composition of this body than any thing else. I do not believe that the President, coming from a great people, will permit himself to be embarrassed by a body thus composed; a body without responsibility or accountability, while he is responsible and accountable for the faithful execution of the laws. How can he be accountable and responsible for the faithful execution of the laws, without the free choice of agents to do it, and by being left untrammeled in their removal?

We have been reminded, by those who study history, of the

condition of a nation powerful now, eivilized and refined beyond any nation, whose people were persecuted, tyrannized, destroyed, by a self-constituted assembly, through its agents, its triumvirate, and its directory; and this body may as well be warned here to-day, and in time, of what the people whom you propose to represent, and try to represent, may demand at the hands of an executive. It is in the discharge of a duty higher than any I owe anywhere else that I warn you in time against a step which, from the evidenee before me, I am sorry to feel you are about to take. Sir, I believe it is time for plain talk. I will not consent that the people of this country shall be blinded as to the exact condition of things here or elsewhere, if I know, for one, how to plaee it before them.

Sir, the position in which, so far as I am a judge, the people of the North were plaeed at the beginning of the late war, was disgraceful to all the legislation of the past. Did you, who now sit in your seats, tell us that this war was impending? Did you at any time tell us that we were on the brink of a fearful eonvulsion? We rushed into that war without discipline, without preparation, without knowledge of the impending catastrophe. Is it fair, is it just, is it generous, that that policy shall be pursued hereafter? Such, sir, was my knowledge of it. Nobody ever told me, or those whom I now represent, of the ruin that four short years were to bring upon us.

It has been a difficult thing for me to understand the eourse of legislation here. But I think I have solved the diffieulty. I think I understand the influences out of which have emanated laws whieh have governed the eountry; and I am not at all surprised at the condition the country is in, eonsidering the power, the edueation, the experience, and the knowledge that have been coneentrated here to give good legislation, wise laws, and proper policy to the people of the country.

Sir, all have studied the results of the Inquisition, commeneing in the fourteenth century, and ending in this. Obnoxious and cruel as the aetion of the Inquisition was, I do not believe that it caused more anxiety, more trouble, more terror, than the acts of Congress applied to the people during the war, both North and South, and since the war has ended; for if ever there was tyranny exercised, either by one man or by a set of men, aiming at a given purpose, that tyranny was exhibited over the people of this eountry, South and North, in the exaetions made upon them while the war was pressing, and, since then, in the adjustment of their material interests. The troubles, the anxieties, and the uneertainties which have operated upon the minds of business men and their families, have been unknown to the history of any modern nation.

I am warranted in my view as to the inefficiency of this body and of the other House, both in giving beneficial legislation to the country and in passing upon those persons who are suitable for the offices of the country. Every discriminating and fair-minded man will bear me out in this assertion: I know of no instance where men, educated in the profession and practice of those to whom I have referred, have entered into the practical, business of life, and have come in competition with the people, without loss of property, and sometimes of reputation and honor. Such is the character of those as individuals who come up here to legislate for a great people, and to be the beneficiaries of its honors, its prerogatives, and its emoluments.

Mr. President, the fact is that legislation, so far as it has come under my observation, is more devoted to the interests of a great party, to perpetuate its strength and its existence, than based on considerations for the welfare and interest of the people, on the ground that this party or that party is the better one to promote the general prosperity. Sir, no party can have any consideration or any support from me unless it is devoted to all the interests of the people, and succeeds and maintains its strength by giving prosperity, contentment, and happiness to them. If it fails in that, it fails in the object for which it is established, or ought to be established. It is not my experience that such has been the rule of conduct of those who have endeavored to constitute either one or the other of the great parties which have controlled the destinies of this country from the beginning. You say to Grant, "If you will give strength to this party through your nominations, it is well; but unless you do give strength and perpetuity to it by your acts, it is not well; we will hold this act above you, and unless you are true to the party that elected you, we will let this little instrument drop down upon you to control your future operations."

To my mind—and it is the great argument used here—legislation toward affecting the interests of the future is egotistical, presumptuous, and ineffectual. The wisdom of the future will be sufficient for the future. The seeds of immorality and vice that have destroyed all ancient states have been sown by those who arrogated to themselves that prerogative long anterior to the catastrophe. Let this be a warning to the imperfect vision and blindness that are inherent in all human calculations. Our duty is to take care of the hour and the day that are upon us. When we go beyond it, we take into our hands the prerogative of the God who gave us being, and who punishes all who infringe His power with a terrible vengeance.

It is contended here and elsewhere that, as the result of our war, the power of the States was neutralized and checked, and

it is asserted that that check was salutary and proper. What is the spectaele that presents itself by those who advocate the continuanee of this power? Are not the States represented here by their Senators, and is there not an effort made to elothe the States, in the persons of their Senators, with a power they never before exercised? Upon this admission, it must be eonelusive to every mind, that upon that as a basis your war has proved an utter failure, for you contend here to absorb the power which you tell the country you have erushed.

If I had no other reason for an entire cancellation of this pernieious and obnoxious measure, the fact that there are in this eountry five hundred thousand men and women applicants or anxious for the offices to be distributed through the Exeeutive, or through his Cabinet, or otherwise, the very faet of the existenee of that state of things indieates conclusively to every mind that there will be large numbers unfit and unworthy of filling those places; and without supreme power to remove unworthy and ineompetent appointees, the Government of this country can not be wisely, judiciously, or properly administered.

And here I will say, that it is not entirely the greed for office that prompts the American people to seek a livelihood at the hands of the General Government. Had your laws been wise, or had they never been, that large army of applicants would have been contented with profitable oeeupation at their homes. Instead of just pride in their natural avocations, they come to this point, where they see powerful monopolies built up and money flowing out like water; and they come here as to the mine from whenee come all the living and all the wealth, in fact, of the nation. That very faet would conclude me to vote against the suspension of this law

I do not know how other men feel; but for myself, sir, if it is a question of tyranny, I prefer the tyranny of one man to that of a eollective body of men; and, in my judgment, sueh would be the testimony of those who have suffered both. If we must have one, give me the tyranny of one man who has some humanity in him, who has some accountability and responsibility in him, rather than the tyranny of a body without responsibility and without aecountability.

When the people examine into the eomposition of this body of sixty-six members—having unlimited power over all treaties, and, in eonjunction with the House of Representatives, complete jurisdiction and power over all legislation, and exereising an entire eontrol over both appointments and removals from offiee, they may look with well-founded suspicion upon a body constituted with the supreme powers I have deseribed. For

one, looking upon the Government as I do, and as it really is, I would not trust this body, or any other composed as it is, or even differently, looking to the liberties and best interests of the people, with the power, supreme and dictatorial, it already exercises.

There is no body that pretends to have the power concentrated in numbers like ours. There is not now, and never was, a body controlled by one element as both Houses of Congress are to-day controlled. You fight against titles and aristocracies. There never were titles and aristocracies that exercised the complete power and jurisdiction over every thing that concerned a people that is concentrated in this body to-day.

Such, sir, is my judgment of this matter; and it is deeper than any of the positions that have been taken upon this measure. In my judgment it displaces them all. I base my judgment, and whatever of argument I have been able to present, upon the simple ground that this body, being thus constituted, is not a suitable body to check the power of the Executive, or even to exercise one half the power that the Constitution gives it; and unless there are some corrective measures somewhere, there will be a demand, Constitution or no Constitution, by the interests of a great people, that it shall be displaced; and you put not only a power but a necessity in the hands of the Executive, which you compel him to exercise in the interest of those whom he directly represents, the longer and the more tenaciously you hold to this most unfortunate power, obtained as you have obtained it.

THE CIVIL TENURE ACT.

SPEECH

OF

WILLIAM SPRAGUE

IN THE

SENATE OF THE UNITED STATES,

MARCH 24 1869.

THE CIVIL TENURE ACT.

MR. PRESIDENT: I took occasion the other day to express an opinion, based upon deep reflection, that the composition of this body was of such a character as to make it unfit to check or to interfere in any form with the action of the President in his removals from office. It may be remembered that I did not then point to the individuals of this body, with many of whom my relations are of the most satisfactory character. My statement was that owing to the education, to the experience, and to the methods of thought of five sixths of the members of the body, it was dangerous to the liberties of the American people to clothe it with the power contemplated, or to continue it in the power which for the past year or two it has exercised. For the performance of that duty, on my part, it became the province of the charlatan of the Senate to attack me personally, in my individual character, and in my individual capacity; and, sir, he brought to bear, as a part of his argument, the laughter of the galleries, echoed on the floor by members of the Senate.

I have one word to say to the galleries. They are here; and it is proper for me, in view of that circumstance, to say a word to them. They are the representatives of the American people; they may be fair representatives; they may not be; they are better clothed, perhaps, than a very large portion of the masses of the people, but whether those adornments clothe any more virtue and integrity than do garments of a less gaudy and less luxuriant quality, let each one judge for himself. I am reminded, however, in thinking of the condition of the country, of an incident in history, and I will illustrate that reminder as well as I can. You have been educated to laugh and to make light of the most serious things. You have been indoctrinated into a frivolous, thoughtless, senseless disposition. Defective education has given to you that character; and it is not surprising that you should exhibit it here in this Senate; nor is it surprising that the Senators themselves should echo and respond to

that state of things. I am reminded of the idiotic inhabitant of a burning dwelling, invited and expostulated with, that he might seek a safe and secure refuge, declining to do so. The dwelling fell, and when the rubbish was cleared away, what remained of him was made more horrible by the recollection of his outeries and laughter in the midst of the ruins.

That I may have some attention in the Senate, I desire to point again to a nation prosperous, governed in a proper spirit, under proper constitutional regulations and checks, which has produced success and constant advancement in liberty and security for the citizen. I point to England, to English liberty, and to English civilization; and as I have been here and elsewhere somewhat severely characterized for that illustration, I desire to state that those who to-day have the conduct of the public affairs of Great Britain, are not of the profession chiefly represented here in this body. This is equally true of other nations. Mr. Gladstone comes from parents engaged in commercial pursuits. Mr. Disraeli never received a collegiate or even a common school education; but he and his associates have imbibed the true instincts of statesmen, to take care of the interests of the individual, and of the great interests which control the successful destinies of that great nation. I trust, sir, that hereafter men occupying a commercial station, such as mine, may not be pointed out with the finger of scorn and derision because of that station. Somebody has written of a Yankee boy in the West, who, when called a Yankee, took the liberty, in his indignation, to strike the rascal down. He was asked why he did it. "Are you not a Yankee?" "Yes; but I do not mean to be called a Yankee *so*." That is the intention I now have.

As regards the Republican party, I have not waged war upon it, nor do I mean to seek refuge in the Democratic party. That would be jumping from the frying-pan into the fire. No party can exist in the future in this country, so far as my judgment goes, that will not be represented by the same character and the same influences which control the Congress of the United States at present, unless the people become possessed of the sentiments and system I am endeavoring to impress upon them.

I have not heretofore entered upon the constitutional question involved in this measure; but I have in my hand a paper which embodies my ideas in relation to that point, and so far as I am concerned, it makes very little difference to me whether it is the judgment of a lawyer, a judge, or any body else. The judgment is mine, and I believe that it will stand as the constitutional decision of the question at issue. I will read it:

"One of the three following propositions is true:

"Either the power of removal is one of legislative jurisdiction; that is to

say, deriving its authority from act of Congress, and subject to regulation thereby;

"Or it is a power vested in the President and Senate jointly, only to be exercised by their concurrent act;

"Or it is purely a presidential prerogative.

"1. Is it a subject of legislative jurisdiction? Article one, section one, of the Constitution provides as follows: 'All legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives.' The Congress, therefore, can exercise no other powers than such as are 'granted' as above. The powers granted are such as are expressly defined in terms in the Constitution, and such derivative powers as may be necessary to carry them into execution; and they constitute the entire body of the legislative powers of the Government of the United States.

"If we look now to the Constitution, it will be seen that the only grants of legislative power made thereby are to be found in ten sections constituting article one; in three paragraphs in section one; in one paragraph in section two, and one paragraph of section three, article two; in one paragraph in section one, two paragraphs in section three, article four; and one paragraph of article five; and if we scrutinize all these provisions, it will be seen that not only is there no express grant of power over the subject of removal, but that no such power is rightfully to be derived by implication from any of them as being necessary to carry into effect the express grants of power contained therein.

"In this view, having thus surveyed the whole field of legislative powers, we find that, so far as the power of removal is concerned, it is not there, either in express terms or by legitimate implication; and not being there, the inevitable conclusion is that it is not of the domain of legislation, capable of being either created or controlled by act of Congress.

"2. Is it a power vested in the President and Senate jointly, only to be exercised by their concurrent act?

"The argument relied upon to sustain this proposition is that the power of removal is an incident of the power of appointment, and that whereas the joint action of the President and the Senate can alone give validity to appointment, the power of removal is subject to the same condition of concurrent action on the part of the President and of the Senate. That this position is untenable will readily be seen. The provision of the Constitution whence arises the only authority which the Senate exercises in this regard is contained in the second section of article two of the Constitution, and is in these words: 'And he [the President] shall nominate, and, by and with the advice and consent of the Senate, shall appoint embassadors, other public ministers and consuls, judges of the Supreme Court, and all other officers,' etc.

"The President 'shall nominate, and, by and with the advice and consent of the Senate, shall appoint.' This is the precise language, and beyond the authority thus granted the Senate has no other in the appointment of officers. What is this authority? In common parlance it is called the act of confirmation by the Senate; but it is not that as a constitutional fact. It is the power to advise and consent after a nomination shall have been made—nothing more. The power of appointment is an independent power vested only in the President. The President nominates, and the Senate advising and consenting thereto, the President may or may not appoint, as in his executive right and pleasure he sees fit. The function of the Senate in this matter is simply one of assent or dissent, not controlling even the question of appointment, and when it shall have exercised this function, in the manner of assent or dissent, its constitutional power is exhausted. In

the authority thus given to the Senate of 'advice and consent,' not only is there no authority vested in that body, either in express terms or by implication, over the subject of the removal of an officer, but not even over the subject of his appointment. The President may nominate; the Senate may exercise its prerogative of advice and consent, and still the President may not appoint. To assume to derive from the terms of this auxiliary intermediate power, thus vested in the Senate, jurisdiction of the subject of removal of an officer, is to give thereto an implied signification broader in the scope of its authority as to removal than that which they contain in express terms as to appointment, a conclusion utterly at conflict with the true canons of constitutional construction.

"3. Is it or not purely a presidential prerogative?

"Not being found either as a legislative power, or as a power vested in the President and Senate jointly, it must be found in the executive branch of the Government, for it could be lodged nowhere else save in the judicial branch, and no one contends for that. But is it not clear, from other provisions of the Constitution, that it is vested exclusively in the President?

"In the first place, that it is an executive function is not to be denied, in all governments as well as in our own; and by section one of article two of the Constitution it is provided that 'the executive power shall be vested in a President of the United States of America.'

"It is derivable also from the provision of the Constitution, (section three of article two,) which provides that the President 'shall take care that the laws shall be faithfully executed.' That the power of removal is essential to the faithful execution of the laws can not be gainsaid. And by the established rule of construction that the express grants of the Constitution carry with them by implication all such powers as are necessary for their execution, herein is found a source of authority for the exercise of this power by the President as undeniable as the fact that for the past eighty years it has been universally recognized."

Sir, so far as I have been able to judge and to compare, there is less individual responsibility and accountability in the Government of the United States than in any other government on earth. There is no one of the departments that is conducted upon a correct and experienced business judgment. Take any one of them, and no business man would run it as it is now run for one moment. He could not do it. The fact is, if you deny or refuse to give to the President the power of instant removal over the officers of this Government, you check the operations of the Government itself. It can not be carried on; and it will not do for any man to base his judgment on the grant of the Constitution, when in the condition of things that grant can not be carried into effect. There is no mistake about that clause in the Constitution which commands the President to see that the laws be faithfully executed, and it must be apparent to any man with half a judgment that the faithful execution of no law can be compelled unless the agents of the law are bound to obey, by prompt application of the force and power of removal, whenever they feel in any way disposed to evade their responsibility. I am quite sure—nay, I am as certain as that I stand here to-day—that there is not a household, there is not a manu-

factory, there is not a farm, there is not a workshop, there is no business that can be successfully conducted with the restrictions imposed upon its head which you impose upon the President of the United States. So, sir, beside the composition of this body unfitting it to take part in the power of removal, it is my deliberate judgment that for want of a direct determinate vigor on the part of the Executive, untrammeled and unrestricted in his operations upon the officials, no law can be faithfully executed in the present condition of things.

Sir, I have been deeply interested in the success of the Republican party. In means I have contributed more than any member of this body, and in character quite as much, to the furtherance of that success. In point of means, I think my contributions in that direction would offset the contributions of all the other members of the Senate. My purpose was to relieve the country from its embarrassments. It was in a condition of war—civil, social, political, and material. There was war North, war South, revolution everywhere; and there was nothing else to do when the building was on fire but to effect all that could be effected to quench the flames.

I informed the Senate the other day of the absence of all warning touching the imminence of the late civil war; and for this I was called in question. Sir, I repeat the suggestion, so far as the people of the North were concerned. If I am any judge of their position, they were not prepared for the war; for in what condition were they? I brought here the best troops, or among the best, in the field; but what was the condition of the people? I sent from Providence a battery of artillery one day after the firing on Fort Sumter. How was it done? It was an organization I had maintained for ten years before almost at my individual expense and by my influence; and the twelve hundred men that followed in a week after came from the workshops and from the plow, came by my individual exertions, though the officers never had served with those men hardly anywhere. It was a rush to save the country, by men unfitted in any respect to discharge the duties of soldiers. How did I find the situation *here* among those who had been on the watch-tower? With my youth, my inexperience, my want of ability, I found that not only those who were occupying seats here, but in almost every other office, were looking to "the boys" to direct the affairs connected with the defense of the country. I did, for one, all that it lay in my power to do, and I was among the very few to "scent the battle from afar off;" and having performed that function and duty then, I have come up here, to-day, to tell you that there is a danger impending greater than that. It is in the discharge of

that high duty that I have come here, and have endeavored to impress it upon each individual member of the Senate and on the people of the country. It is in that view and with that end that I speak to you now. Let me give you a chapter from English history. I read from the new *American Cyclopedia:*

"Jeffreys, George, lord, an English judge, born in Acton, Denbigshire, Wales, in 1648, died in the Tower of London, April 19, 1689. His family was good, though not rich. He was educated at Shrewsbury, at St. Paul's school, London, and at Westminster school, under Dr. Busby, and he early gave indications of high talents. His father was unable to send him to the university, and he became a member of the Inner Temple, May 19, 1663. Of his boyhood and youth but little is known, and that is not to his credit. He was called to the bar November 22, 1668, having eighteen months before married Mary Nesham, daughter of a clergyman, under circumstances of a romantic character. On the death of this lady, in 1678, he married Annie, widow of Sir John Jones, who had been lord mayor of London. His rise at the bar was rapid, but his practice was in the Old Bailey and other London courts, always beneath the other tribunals in conduct, and in that age scarcely better than dens of torture and murder. In such a school the natural ferocity of his temperament was rapidly developed, and he soon exhibited that brutality which has won him infamy throughout the world.

"So quickly did he rise that in March, 1671, he became common sergeant of the city of London. At that time he belonged to the 'country party,' and laid the foundations of his fortune by affecting to be a patriot and a Puritan; but he intrigued secretly for court favor, and was made solicitor to the Duke of York, September 14, 1677, and knighted. This startled his associates; but he insisted that the office was strictly professional in its character, and in 1678 men of both parties united to elect him recorder of London. He then went boldly over to the court party, and for the rest of his life so acted as to deserve the title of the worst tool ever used for the destruction of freedom by the house of Stuart. In the days of the Popish plot he was one of the most active against the accused parties, acting both as judge and as counsel in different courts; and it was by his advice that the Government placed itself at the head of the patrons of the plot, whereby its inventors were prevented from turning it to the profit they had expected. He was appointed chief-justice of Chester, and made king's sergeant in April, 1680, and created a baronet. He offended the House of Commons, and was reprimanded on his knees. The office of recorder he gave up December 2, 1680.

"When the Oxford Parliament was dissolved in 1681, and Charles II. resolved to destroy the Whigs, Jeffreys became the most efficient agent of Government. He labored against the city of London, which had been his first patron, and helped to extinguish its liberties. He was of counsel for the Crown on the trial of Lord Russell, and bore himself so villainously that he was made chief-justice of England, in order that he might effect the destruction of Algernon Sidney. He was deeply concerned in several other murders of the same kind, and in the assaults on the municipal corporations. He presided at the trial of Oates and at that of Baxter. On May 15, 1685, James II. made him a peer, by the title of Baron Jeffreys of Wem. He was the second chief-justice ennobled in England, Hubert de Burgh being the first. In the summer of that year he was placed at the head of a special commission to try persons accused of having taken part in Monmouth's rebellion in the counties composing the western circuit. Of the prisoners brought before him three hundred and twenty were hanged and eight hundred and forty-one ordered to be transported and sold into the slavery of the

tropics. Others were most barbarously punished with scourgings, imprisonment, etc. Jeffreys boasted that he had hanged more traitors than all his predecessors since the Conquest. His cruelty was all the more offensive because he traded in pardons, and in that way rich offenders escaped. That his aim was to please James II. admits of no doubt, though in after days the king declared that Jeffreys exceeded his instructions, while the judge asserted that he gave offense by being too merciful.

"The king called his judge's doings the chief-justice's campaign in the west. He rewarded Jeffreys by making him lord high chancellor of England, September 28, 1685, which office he held until the downfall of the Stuarts, three years later. In the House of Peers he made a bad figure. Attempting to bully the peers, he was firmly met, and so humiliated that he wept. The court of high commission having been revived, Jeffreys was appointed its president, and took part in its worst acts. It was by his advice that the seven bishops were imprisoned and tried. In 1688 the University of Oxford refused to elect him their chancellor. There was not one of the deeds of folly and crime that caused the overthrow of James II. to which Jeffreys was not a party; and when the king was frightened into a change of policy Jeffreys became his agent for good purposes. He carried back its charter to the city of London, and was hooted by the people. When the king fled from London he took the great seal from Jeffreys and threw it into the Thames. The ex-chancellor disguised himself, and made arrangements to sail for Hamburg. He might have escaped had he not returned to land for the indulgence of drunkenness, which led to his being recognized and seized. The mob wished to tear him in pieces, but the authorities succeeded in placing him in the Tower, December 12, 1688. There he remained for upwards of four months, when he died of the stone, having much aggravated his disease by his indulgence in drinking.

"Even to the last he could not be made to understand that his conduct on the western circuit was bad, and, tried by the standard of his time, it was not so heinous as it appears to us. He was the worst man of a hard and ferocious age, and differed only in degree, not in kind, from many of his contemporaries. Suffering constantly from disease peculiarly trying to the mind, and an habitual drunkard, his actions were the consequence of infirmities and failings; and the chief fault was to be found in the kings who placed him in positions where it was impossible for him to act otherwise than as a beast of prey. It is asserted that James II. was so well pleased with him that if the revolution had not occurred he was to have received promotion in the peerage by the title of Earl of Flint. Lord Campbell says that, 'as a civil judge he was by no means without high qualifications; and in the absence of any motive to do wrong he was willing to do right;' and that 'when quite sober he was particularly good as a *nisi prius* judge.' Lord Macaulay, who has dealt with his memory with almost as much severity as Jeffreys dealt with the western Whigs, says: 'His enemies could not deny that he possessed some of the qualities of a great judge. His legal knowledge, indeed, was merely such as he had picked up in practice of no very high kind. But he had one of those happily constituted intellects which, across labyrinths of sophistry and through masses of immaterial facts, go straight to the true point.' His biographer, Mr. Woolrych, who has done all that can be done to place him well before men, says: 'His bright, sterling talents must be acknowledged; that intuitive perception which led him to penetrate in a moment the thin vail of hypocrisy and show things as they were, must have its meed. Like Thurlow, he had the especial gift of fastening on the true genius of the cause, eliciting its nice point, and forming a prompt decision on the right bases of equality and justice.' In spite of these eulogies few persons will dissent from the declaration of Mr. Justice

Foster, that he was 'the very worst judge that ever disgraced Westminster Hall.'"

Sir, I have read that history with a meaning. The condition of this country to-day, in my judgment, is not dissimilar to the condition of that time and country in which this bad man wielded and exercised the power he did. There was a revolution, and this man was sent to inflict the revenge and hate of the then despotic power which held sway and dominion in Great Britain. We, sir, have just become, as it were, separated from a great rebellion. And what position do we occupy to day? Is there peace at the South? Is there a spirit of harmonious good-will here in this Senate toward the Southern people? Is there good government among those people? Do their occupations prosper? Are they not in a state of chronic revolution? And have you not had four long years in which to assure peace among that people? Is there justice in the land? Who that is a poor man dare take one that is rich before any court in it with certainty of impartial justice? Is there individual protection? Mr. President, if a railroad president or director, or manufacturer, or a rich man is brought to the bar of any court by a man not as well off as he—by a poor man, in short—all the nice points of the law, and the arrangements and the knowledge of judicial precedents, are brought to bear to defeat the poor and the weak. If in despotic France you interfere so as to injure the meanest of its citizens, the whole power of the Government comes in for his protection.

It is my intention, if I know how, to give the exact condition in which this country is, hoping and trusting that by thus speaking what I know there will be a remedy for the difficulty.

I have mentioned heretofore that there was nothing grander in the history of this age than the conduct of the British Government when she dispatched her armies to distant Abyssinia to vindicate the personal liberties of a few simple English citizens. Who is there in this assembly that would ask for like action on the part of the Government of the United States? I have called to the individual attention of Senators, and I have called to the attention of the collective body, the fact of the loss of nearly all—I may say to-day all—of your industrial interests; but the apathy which seems to have crept into every nerve and vein of this body and of the country will not allow them to believe it until the mischief is full upon us. Your immigration fell off thirty thousand last year from the year before. Why is that so? Is it not a clear case that it must be so? Where can these people obtain employment by coming here? If they take possession of the farms at the West, can they

produce suffieient to supply themselves, at the eost of every thing now, with the ordinary necessaries of life? Sir, they can not. They can not come here, and is it not a shame and a disgraee to all your legislation that it should be so? Three hundred thousand Germans and Irish eome to this eountry with money in their poekets; and let me ask you of the Eastern States, Do you send men and women and ehildren to the West with money in their pockets? It ought to be known that the land on which at homc those immigrants eultivate their crops, and maintain their families, and obtain the means to come here and buy your property, is a pateh of ground comparatively no bigger than this Senate chamber.

You have lost your eommeree. You ask the reason for it; and there is not a man in this ehamber who gives a satisfactory reason for the loss exeept and because we are not paying specie for our bills. The reason is plain and simple that the construction of your Treasury is such that you, in common with the capitalists of this country, are speculating upon every industry and upon every laboring oeeupation. That is the reason, and there is no other. I told you the other day that the condition in which the crops of the South were plaeed, eonsequent on high prices, was the most dangerous and disastrous position in which it was possible to plaee them, for the apparent high prices here give a stimulus to the produetion of eotton in Egypt, in India, and in Brazil. It is my deliberate judgment, and nobody ean gainsay it, that in five years you will be elamoring here for a tariff to keep out foreign cotton. How are you going to pay your debts with that state of things? Send more bonds to Europe, send more of your capital away from the industries of the people!

I have mentioned and read the history of England prior to the revolution of 1688. Her people were distressed and perseeuted beyond measure; the rule under James II. proceeded to an extent hardly known in the history of such persecution, and in 1688 the distressed people called a new administration to the head of affairs and remedied the diffieulty; for will a people submit long to a condition of things wherein they have no employment for their labor? They will submit if they are in a condition of slavery; not otherwise. If our people now look around them, look beyond the waters, and find that there are Governments that give protection and employment to their citizens, they will, if they be not slaves, ask why, with our free institutions, with this magnifieent inheritance, with this great land, and with a climate beyond that of any other eountry in the world in its ability to produee every thing whieh man requires—why is this so? I have pointed to the material eondition of

this country; I have told you that the farmers in the West can not produce any thing by which they can be profitably employed or the wealth of the nation enhanced. I have been met by the argument that, if you get as much compensation from a small crop as you get from a large crop the wealth of the nation is as great. I have not thought it worth while to answer that argument; but it has been maintained here in this body and it is believed. Is it worth while, when the answer seems so plain, that I should burden the attention of the Senate with a refutation of that idea?

We were told that the tax on cotton was of great advantage to the Eastern manufacturers; that it would give us the monopoly of the manufacturing of the world; that we should burden the cotton planter with a tax of three cents a pound, compelling him to go into the market at twenty-five per cent per annum to obtain that three cents, enhancing the cost of his production to that extent, and then, by giving to the American manufacturer a drawback of three cents per pound, he could supply the markets of the world. There are Senators here who believed that statement. I tell them that in the matter of interest upon money, the difference in the cost of capital in this country and in England would alone overcome that supposed advantage to the manufacturer. I say to them that the difference in the cost of labor would alone overcome that supposed advantage; the difference in the cost of supply and transportation would alone overcome it. That is the advice that has been received here and acted upon in the management of your taxes.

But that which is more terrible than any other is the advice that has been acted upon in reference to the greater subject, and that which underlies all others, that which either makes a freeman of the citizen or a slave, and that is the finances of this Government. The Senator from Ohio himself mistrusts his own judgment in reference to the policy he has been pursuing. The power that has controlled the action of this Senate is the banker's advice and judgment, and nobody else's. The power that regulated and controlled the men I have referred to in the history of England believed that they were right; they certainly felt sincere; they certainly felt that they were pursuing earnestly and energetically the best wants of the nation; they felt that it was essential to the liberties and to the happiness of the English people that the Protestants should be oppressed and the Catholics assume and control the destinies of that country. They were honest, perhaps, in the desire to hold power through the Catholic influence in the English nation, and to control her destinies.

I do not arraign before this bar or elsewhere the banking ad-

vice which has been received here. The bankers have undoubtedly given the best advice that they knew how to give; but it is the experience of every business man that a banker, a man dealing in money, knows no more about the relation which money assumes toward any other occupation than he does about a matter which is a million of miles from him, and which he never heard of. The men who have assumed to dictate and to determine the financial policy of this country know no more about the requirements, the necessities, and the character of the employments of the people of this country than if they never lived; and yet, sir, these men whom I have tried in my own business, and who have tied that business in such a manner as to embarrass and almost to destroy it; these men, who, whenever they depart from their occupation of counting money, have always failed both in the advice they have given and in the manipulation of any other business, are to-day dictating to this body the financial policy which should control us. If such is the condition of the legislation of the country, how can you make it right by taking on yourselves the executive function?

It was my intention to say a word as to the relations that subsist between me and one or two of the members of this body, and to gather from that whether under the existing condition of things .this was a sufficiently wise body to make important selections for the officers who were to be the agents in the execution of the laws; but I will reserve that for a future occasion.

I have spoken as to the material interests of the country; I have spoken as to the political influences that control them, but I have not spoken of the present condition of American society. Can legislators find any thing to console and comfort them in their examination of the state of domestic society and social condition among the people of the United States? I know something of the character of the people whom you have been taught to despise under other governments, and if I am an impartial judge that examination has given to me the belief that American society to-day has perhaps less virtue, less morality, in it, than that of any civilized government in the world. Is that not the fault of your legislation? The difference between those who possess accidental fortunes and those who live by their daily labor is the cause of the demoralization. It is the striving of those who are rich to be richer, and the striving of the poor to imitate the rich; and in that contest virtue is lost. Where is there a father who leaves his house with any security? Where is there a mother who sends her son into the world, subject to the temptations that are about him, without alarm? Where is there a husband who closes his doors with satisfaction? Where is the father, who has an anxious care over his daughter, will-

ing to have her leave his eye and his protection to begin the struggle against the temptations around her? There is to this an echo in the heart of every man who hears me. Is that a comfortable state of things on which Senators rely in safety and in security? You stand in the track of an avalanche, you are on the brink of a precipice, and know it not. There is a paralysis throughout this body and throughout the country. I have pointed to Mexican society, I have pointed to Spanish society, I have pointed to Italian society; and if I have read any thing, I find that when they, powerful, civilized, refined, began their course of demoralization and loss of honor and virtue and prosperity, they occupied a similar position to that in which this country is placed to-day.

I favored the election of General Grant in opposition to the aspirations of one connected with me by family ties. I did that because I felt that Grant had not learned the practices of those who had had charge of the Government, that he would have capacity to see through the intricacies of the things about him, and would judge more correctly of the exact condition in which things were, unbiased, unprejudiced, uninfluenced. I heard his inaugural with anxiety. I listened to every word he uttered. I watched his countenance. I responded to the words wherein he professed himself the champion of freedom and liberty; that he should be independent and fearless in the discharge of his duties; but I went away with a sorrowing heart when I heard that clause in his inaugural in which he said he would protect the Government debt. I saw that the canker which possessed the body-politic of the American people and influenced all our legislation had got to him. I went away disheartened, sorrowing, alarmed. But, sir, I will not give up the ship even with that impression. I hope he will discover the error into which he has been led by bad advisers, and will retract, retrace, turn away as he would from a charnel-house.

Sir, when I look beyond this chamber, when I examine into the condition of things at your departments, when I call upon the President of the United States, tired and wearied in the discharge of duties thrust upon him by members of this body and the other House in reference to immaterial matters, what hope is there that any public and momentous question will receive or can receive any thorough consideration from him? When I go to the Treasury Department, and see the hosts of men pressing forward from this body and the other House, and from the whole country, and see the effect it has upon the energies of its head, can the American people expect the consideration of any question other than these immaterial and senseless questions? Can they expect that the great questions necessary to the pros-

perity and happiness of the people will receive any possible consideration? There is no hope in that direction.

Mr. President, I am no orator, like Patriek Henry, who the other day was cited as representing the profession I felt it my duty to criticise; I am unacquainted with the mysteries of the law and of its practice. Patrick Henry came into the arena of polities not as a lawyer, but as a statesman and eloquent advocate and defender of the liberties of the people; and he maintained himself there until he died. Are there those here and elsewhere who have obtained high positions in representing the liberties of the people, their freedom, their well-being? May they not profit by his example? And may they not critieise the attitude in whieh they to-day stand toward the American people? It may be that they oceupy it unadvisedly; it may be that they take it without knowledge of what that exact position is; but they, too, occupy a position in defense of power, and contrary and in antagonism to the interests of the great mass of the American people.

I have in my hand a remedy for these difficulties; but it is not likely to be so in the judgment of this body. It is not a manufaeturer, or a man of commeree, or a man whose experience has been as mine has, who can make any impression upon a body composed as this one is.

One word, sir, in reference to the "manufacturer." He was at school and at work in his thirteenth year under the guidance of a dear and exeellent mother, and to her he attributes all that there is good in his nature. His father died by the assassin's blow. For ten long years that dagger rested in his heart. In his daily avocations and in his nightly dreams he felt the blow that deprived him of his father. Sir, the blows that he sometimes felt here were not wholly dissimilar. The blow struck by the Senator from Nevada [Mr. NYE] the other day dropped deep into my heart, and reminded me of the ineident I have related. At the death of his father the estate, if settled up, would not have left a dollar to his father's family. That is the "rieh manufacturer" who talks to you to-day. Thrust then into the counting-room, performing its lowest drudgeries, raising himself to all of its highest positions, at twenty-six he was left with the interest under his sole charge. In 1860 or 1861 he had succeeded in giving to this eountry the largest, the best-arranged, the most suceessful and prosperous establishment of the kind in the world. He took ground politically, almost by instinct, in opposition to the course of public sentiment. He did not know that for forty years that public sentiment had been wrought up to the pitch of frenzy, blinded both to its own interests and to the danger that surrounded it. He did not know of the eondi-

tion of that other people who were similarly situated. When the war came, in defense of the whole country he made that appearance before the American public which fastened all eyes upon the movement. The people felt the exigencies and dangers for the first time when that movement attracted public attention. I will make a single illustration as to the feeling of the public mind touching those who then had charge of public affairs. It may not be known to the distinguished Senator from Massachusetts, [Mr. SUMNER,] but it is known to his friends, that they felt called upon to obtain indorsement and approval, and the recommendation of his reëlection to this body, in consequence of his danger of being left at home. That shows the state of the public mind at that period. Since then they have had other teachings, been governed by other advice, and have formed different conclusions.

Mr. President, I know well how to cure the disease I have described. I have a sure remedy; one that will interfere with nobody, one that will extricate this people from the slavery that is impending over them, and give them liberty and prosperity. Instead of the discussions pending this bill, instead of this grasping for the power or for the continuance of power that animates this body, it is my judgment that they will do well to give attention to that which is higher and more important to the welfare of this people than any measure that can be before them.

I have said about all that I desire to say. What I have said has been in the performance of a duty. I know that the position I take is that occupied by the American people, and they will defend it without regard to him who has selected it. I know I have spoken truths here that can not be gainsaid. I believe that the present condition and composition of the two Houses of Congress will ultimately produce revolution. I believe that the social, the material, and the political condition of the country thus confused, thus disturbed, can not but react upon the body from whom they feel they should receive the contrary of that position.

I thank the Senate for the attention which they have given to me in these remarks. I trust it will not be in their province to think for one moment that I have aimed at the body for any other purpose than upon high considerations of public duty. I trust that they will believe that I have looked into this question with anxiety, with thought, with deep reflection; that I have grown almost sick in the contemplation of the dangers which surround us. Having performed that duty, I leave the rest to those in whom I hope I have awakened some thought in connection with the present condition of the country.

THE NATIONAL CURRENCY.

SPEECH

OF

WILLIAM SPRAGUE,

IN THE

SENATE OF THE UNITED STATES,

MARCH 30, 1869.

THE NATIONAL CURRENCY.

Is it the habit of men constituted like this assemblage and the other House to bow in obedience to, and believe the suggestions made by, wealthy capitalists? The same influence is operating on every public officer in the land, and if he be not more than human, as I have heretofore said, he will surrender to the temptations placed before him. Here, under my own observation, was an offer to a $3000 clerk to report upon a certain matter in a certain way; and $100,000 worth of temptation was placed before him. Here, also, in my belief, was the cause of a provision agreed to by both Houses of Congress, being left off an appropriation bill involving a saving to this Government of $2,000,000. These are two instances out of thousands.

The people are led to believe that the distillers of whisky are the real offenders in corrupting public officers. This is not so. The laws of Congress are of such a character that the distiller can barely survive after he has paid the levies put upon him by Government officials, acting as the tools of the power I have indicated, which stands behind and shares in the theft and extortion. The forced levies of arbitrary power, in the most corrupt days of the Roman empire never much exceeded those I have indicated. In their operations stand charged some names that are high in the estimation of the people of the Republic. As this power is unseen and subtle, it is much more dangerous and vicious. It shields itself, if attacked, behind its victim or tool. Hence the capitalist will as readily abandon parties, politicians, legislatures, banks, etc., as he has used them, whenever they fall into disfavor with the people, whenever the people are tempted to strike against this tool or victim to obtain redress—and each time missing the real cause of their misery—the actual culprits escape. You can never put your hands on them bodily, for their number is added to or taken from as speculations or operations succeed or fail. The people may strike down the tool or victim, as they did in the case of Jeffreys, but they will never reach the seat of their troubles until they have driven the

king from the throne; in our case by taking the control of the money market, as indicated by the proposition to disburse the Government funds and place on the market daily the balances of Government receipts and individual deposits, and this through men who have the public confidence, and whose operations will surely command the situation, give stability to material interests, to society, to religion, and politics, and liberate the people.

I have not raised my voice to destroy any public or private interests, but to preserve them all, and I come to show the clear way to remedy the difficulty. Adopt it, and that speedily, or your seats will be vacated and the people will do it for themselves; and as constitutions are of no possible account without it, they will make it the first article that they next enact. This statement is made for the consideration of the candid and thoughtful, and I ask of those who can comprehend what I now say to show the people the true cause of their difficulties.

I made a statement some days since as to the disparity of production between this country and Great Britain. I have obtained some information on that point, which I send to the desk to be read as part of my remarks.

[The Chief Clerk read as follows:]

DEPARTMENT OF AGRICULTURE,
WASHINGTON, March 12, 1869.

DEAR SIR: In response to your request for a statement showing the rate of increase in the product of wheat per acre in Great Britain, and giving some idea of the rate of decrease in production per acre in this country, allow me to say that our temporary occupancy of lands in wheat, and the extension of wheat-growing to new fields, which will in turn be abandoned in a few years, prevents a proper appreciation of the alarming decrease in the yield which is actually observed in localities in which wheat-growing has been long practiced.

It is a fact that diminution of yield is the rule, to which the only exceptions are furnished by a few scientific farmers in all States in which the same lands are cultivated in wheat for a series of years. For instance, in Ohio, for a period of five years ending in 1854, the average yield was thirteen and three tenths bushels; for succeeding period of five years, eleven and two tenths bushels; for eight years, ending in 1867, ten and five tenths bushels. Comparing the period ending in 1854 with the last five years, a still greater reduction is shown, nine and three tenths bushels being the average, or a reduction of four bushels, or thirty per cent decrease in fourteen years.

In 1866, owing to the severe winter-killing, the average was ruinously depressed in the Ohio Valley, being but four and five tenths bushels in Ohio, five and nine tenths in Indiana, and six and five tenths in Kentucky. The average for the United States in that year did not exceed ten and five tenths bushels.

A remarkable decrease in production is reported in the Genesee Valley, the bread yielding section so famous a few years since. The New-York census of 1865 gives but twelve bushels as the average for the crop of 1864 in that State. Our national average for a few years past has not exceeded

twelve bushels per aere, notwithstanding the larger yields of California, and oecasionally some of newly-settled western and north-western States.

Turning to England, an inerease in production ean be shown amounting in one hundred years to five bushels per aere. In 1770, aceording to Arthur Young, the yield was twenty-three bushels; in 1850, by the estimates of Caird, twenty-six and a half bushels; at the present time twenty-eight bushels is considered the real average, though the erop of last year exeeeded it. The average in Ireland for twenty years past is placed at twenty-four bushels; for Great Britain—England, Seotland, and Ireland—twenty-seven bushels.

Very respeetfully,

HORACE CAPRON, *Commissioner.*

Hon. WILLIAM SPRAGUE, *United States Senate.*

Mr. SPRAGUE. Mr. President, prior to 1861 the farming as well as the manufacturing interest of this whole country was in a state of general bankruptcy. There is not a member here from the West who can gainsay the position I assume. There is not a man in New-England that can disprove my proposition.

Mr. WILSON. What is the proposition?

Mr. SPRAGUE. The proposition is, that if the manufacturing interest of New-England had been sold prior to this war, it would not have paid the debts of those engaged in it. If legislators of the past can find satisfaction in the hand they have had in shaping the destinies of this country, I must confess they are satisfied with very small results. Why should we be behind the nations of Europe? Why should we be behind Great Britain, with a territory not greater than the State of New-York, and with a climate not favorable to the development of the industries in which she is engaged, while this country has every variety of climate, a virgin soil, and every thing that the hand of man desires? We are considered in the estimation of the world as destructives and disorganizers. That is the estimate put upon the people of this country when they go abroad, or whenever legislation is directed toward the relations that exist between this and other countries. Is that a picture to rejoice the heart of an American citizen?

Mr. President, I have no other object than to convince you of the disastrous condition of our situation, and to point out the remedy. I tell the Senator from Massachusetts that the condition of the industries of his State and of New-England may be compared to a row of bricks; when one goes, your fabric is gone. If, sirs, you are not standing on a volcano, I am no judge of the condition of things; and it is all in consequence of the mighty money power waged against the industries of the country and the masses of the people.

Here come to me letters from the South: "Extricate us from the terrible extortions made upon us by the moneyed men;

twenty-five per cent per annum to carry on our business, and money difficult to get at that." Why, sir, it is in my remembrance that a shaver of paper beyond the legal rate was detested and despised by the whole community wherein he lived, but to-day he commands all branches of your industry and property, and is as surely enslaving the people of this country as the slave-master who commanded his negro household. I have felt anxious about the situation, because I have seen this tendency for three years; and I have studied it deeply, night and day, for three years, and I believe I comprehend the situation.

Does the Senator from Massachusetts understand the forces by which business is regulated? Can he create a business and carry it on profitably? Can he, when that business is in danger of being brought to a stand, suggest measures that will carry it on successfully? Yes, sir, he can, in the issue of more money power to the masters here and elsewhere, for that in substance is the character of the proposition he presents to this body. I have no doubt that he is informed by those around him that the condition of the people of the country is peaceful and prosperous; but the information he receives is from men who derive advantage from his great position and great influence. Can he tell, of his own knowledge, that the statements he makes can be relied upon? Can he tell that his informants know correctly as to the information which they give him? Certainly not. What does he know about society? How much of it does he mingle with? He mingles with those that he comprehends. Are they such men as can give a comprehensive view of our present situation? No man shall stand here, either through inattention or ignorance, or from any other cause, and mistake the situation, if I can help it.

He tells the people of the country that their material interests are prosperous, and that every body is getting rich. He may influence this Senate, but the people will ask him if he intends to make them believe that white is not white, but that it is black. As the farmer who was rich laughed at one that made the statement that he was poor, so will the masses of the people of this country laugh at the statement made by the Senator from Massachusetts.

The Senator understands parties, the creation of parties, and the carrying of them on successfully. No man is more familiar with that subject; but he mistakes his calling when he gives utterance to opinions touching the interests of the masses of the people of the United States. Cities are indeed prosperous, and the whole capital of this country is collected in those cities, and the power of that capital is controlled and exercised in increasing the value of the property there; but the people

outside of the cities suffer, and *the people* in the cities suffer too. Not three weeks ago, information came to me of a gentleman advertising for labor to go to the South, and the first day he had three hundred applicants, and the next three thousand. Does that indicate a state of industrious contentment among the people in the rich city of New-York? The manufacturers of New-England, induced by my example, are manufacturing to-day at a loss, and accumulating stocks, and they have made no money for the past two or three years. Money is made by manufacturers only by the application of the power I have indicated, which crushes out those who are engaged in the same business with itself.

The tendency of this collection of capital in few hands, as I have repeated time and time again, is to crush out all small industries and to build up mammoth ones, and they are being built up on the poverty of the people of the United States, and to the sacrifice of their property, unchecked. They are running riot over this land. Why, sir, in the exercise of this power a man connected with the Erie Railroad who, two years ago, was without a dollar in his pocket, exercises five hundred times more control now over the business and social affairs of this country than Rothschild with his $400,000,000 can exercise in the affairs of Great Britain. Rothschild to-day, exercising all the power of his $400,000,000, can not change the value of consols one eighth of one per cent. Rothschild's capital is a part of the great working capital of the country, and he can not avail himself of it. Fisk, with the hoarded capital of banks, bankers, and others, which is at his command, is able any day to launch it upon any property or condition of the market favoring his designs.

I have spoken of society in this country. The Senator from Massachusetts has told us that the moral condition of the people of this country may be imitated with profit. My comparison of the people of our own country with people abroad has been criticised by anonymous letters, the writers of which say to me, "You must be familiar with the disturbing element in and among American society." Certainly, if I was not familiar with American society, I should not have hazarded the statement I made. I make no statement in this Senate or elsewhere that I can not substantiate by the clearest proof and the best evidence. Anonymous writers criticise the comparison. The corruptions, the dregs of society abroad, appear at places growing out of the purifying of the stream of general society, and Americans who travel abroad mix and mingle in that filth, and come home here to inoculate the immoralities they have seen into their own society. The comparison can not, in any

form or in any manner, cease to be exactly as I have indicated it. I might point to the condition of things, and the reeking corruptions attending the collection of your internal revenue. It is clear to any man with half an eye that the statement I made is true, and it is responded to perhaps more than any remark I have made since it was my duty to take my stand upon this floor.

The great power that I have referred to, corrupt and vicious, now controlling the affairs of this country, the people can never touch except by the application of a power of a like character, and equal to it. In a monarchical government it is resisted and subdued, as Charles I. subdued it, when he stole the deposits of the goldsmiths and put them in the tower, and then took them from the tower for his own use. We have no such controlling influence over this most despotic, this most tyrannical power upon our whole society.

Mr. President, I said on a former occasion, touching the ability of this body to originate wise legislation, that, owing to the pressure from without, it was impossible for its members to give time and close attention to the consideration of important public matters. I pointed to the President and to the various heads of Departments, the objective points of the office-seekers from every section of the country, and I told you that no man or set of men could stand before the pressure thus exercised upon them. The people of the country may as well understand that the men engaged in legislation, and in performing the executive functions pertaining to the administration of the Government, are muzzled, and the Government itself is breaking down under the force of the weight thus placed upon it.

It is said that the people of a republic will receive unwholesome truths carelessly, and that they will derive no advantage from such truths when placed before them; that they will not act upon them; that it is only under monarchical institutions that virtue can prevail. This statement comes from men who are familiar with both, and have watched both for years. I deny the assertion. If the people of a republic can be made to comprehend the principle on which monarchs give prosperity to their people, and apply it to their own institutions, why will they not succeed as well? A monarch, having his throne to sustain, is more watchful and guarded than any irresponsible representative body is likely to be. Hence he applies the principle and the means that will best promote his security. This people need never intrust superior control in any man's hands, as they have in the remedy I have proposed a sure one, more faithful, more honest, more reliable than any man can possibly be. The people of the United States have been pointed

to this man and to that man on whom they were to rely. The moment they made the application, commenced the temptation by which that favorite hoped to arrive at superior power over them. The people of this country should repudiate every man who is not competent to take care of the situation and give good and wholesome advice, no matter what may have been his previous history or his previous services. If any man foists himself upon the people of this country because of past services, unless he is successful in continuing those services in the interest of the people, he is a worthless instrument, and should be abandoned at once.

Sir, the Senate controls to-day the executive, the legislative, and the material interests of this country. The Senate of the United States is responsible for the present condition of the political, social, and material affairs of the people, and it is because I believe that responsibility rests here that I have taken the time of the Senate as I have, to give to them the benefit of my experience and my research. I shall close now with a hasty consideration of the idea—which has blinded this body, the people, and the executive department—that our present disturbed condition is in consequence of the non-payment of specie. We are told that specie payments will effect a cure for our financial difficulties. The aim, then, is to force such a condition. It is not to come as a natural consequence of the increase of the industries of the people, but it must be forced through by legislative enactment. Your commerce is destroyed; your manufacturing interests jeopardized; your agriculture paying no profit; trade stagnant and dull, and without profit; and yet specie payments are to be forced upon the people, and every time the screw is turned labor ceases to be employed, and the people are more anxious as to their living for the future. When specie payments are thus forced, the holders of national bank currency will apply for redemption. Let them do it, and see where they will come out. The bonds of the banks will be forced on the market. My friends will say, let them be forced.

The banks of New-England, under my own observation, were unable, prior to the war, to keep out more than ten per cent of their circulation, and the time that that circulation was kept out would not average more than fifteen days, and it would then be rediscounted. What value is there in a circulation when it must be constantly distributed in that way? Is it a capital on which business can be done, and is it that upon which you can rely, my friends from the South, to do your planting and farming and general business? Our bills were held at as high a credit as the national currency is now, or ever will be. Let the bills be redeemed before the sale of the bonds,

and the securities that were received when the currency was discounted must be sold. Then, what are the customers to do who have their obligations to meet, and who must pay the wages to those they employ? There will come on the market $350,000,000 of your currency to be paid for by the capital of the banks, and your business will cease to be carried on. Besides, about the same time your market is to receive an additional amount of $400,000,000 of your bonds. That, it must be easily observed, depreciates the value of both the bonds and the securities; but it does not lessen the indebtedness of the banks. You can never, so long as each of you live, arrive at a condition of specie payments on the road you have commenced and followed, with such terrific disasters to the interests of the people.

This measure is in the interest of speculators. My friends from the South will get no possible advantage from this act. They think they will. I vote against it because it adds to the power centralized in New-York, which holds despotic sway from the centre to the circumference of the country. If it were to rest in the hands of those engaged in the productive interests of the South, it might be confined to those interests; but I have never yet seen men engaged in any business, who would not apply their means where they would obtain the highest profit. Those who have money to loan will be exceedingly cautious how they invest this year to be paid in the next, dependent upon the price of the products of the farmer. The men who obtain this currency by depositing the bonds of the United States in the Treasury, will take it from the South and use it in the lotteries going on in every city of the United States. If its tendency was in any other direction, why is there not a flow of the $700,000,000 of currency that now exists to the Southern States, where money commands twenty-five per cent? It will go to New-York. Our currency from Rhode Island goes to New-York; and when it is required to pay our people, we buy it. We send to New-York for it. It does not come to us.

But, sir, I do not oppose this proposition on that ground. This change is one of the most dangerous experiments that has ever been suggested by the Finance Committee and advocated by the Senate. I told you the other day that it would disturb the relations of sixty or ninety million dollars, if the proposition of the Senator from Indiana prevails. What will be the result of taking from the money-market, even for three or four days, any portion of this $20,000,000? It will all be taken with great rapidity; for the sharks, who now observe with keen eye all opportunities to absorb lands, or money, or securities, will

scize upon it; and my Southern brethren invite them to take this capital, and to carry it to New-York.

I do not oppose this proposition at all because it will take circulation from Rhode Island. The Senate found it hard to believe that suggestion. But, sir, I have advised those who manage the banks in which I am interested to retire a portion of this circulation, that they may be prepared for that which, in my judgment, will speedily happen unless the change that I propose is made—the depreciation of the Government securities—to avail themselves of the high price of Government stocks at this time to save their capital. This bill does not take from the State of Rhode Island one cent of capital. It restores to that State capital. One dollar in every ten that is taken from her is a restoration. It is a matter of interest on that currency, and it is to transfer it from twenty thousand people; for I will observe here, that the banks that are dovetailed into the business in which I am engaged, are owned by six hundred people. My interest, and the interest of those that I represent, would be something like twenty thousand dollars. Take all these banks that are affected by the proposition under discussion, and it is to take from twenty thousand laboring people, who use these banks as their depositories, and give it to one hundred speculators.

Sir, it is following exactly in the precedents that have been established of creating great powers, great monopolies, and telling the people that you are engaged in promoting their material and social interests and their political advancement. Under the guise of doing something for the South, the business interests of the country will be jarred from its centre to its circumference, and the South will get not one cent of advantage from the experiment. It is not going to affect New-England alone. I predict that those who write me from the South, and complain of being compelled to pay twenty-five per cent, will, in consequence of this proposition, be forced to pay thirty per cent.

Is this a measure in the interest of the people of the United States? Sir, it is a measure in the interest of the establishment of institutions like the Park Bank of New-York. The condition of this country—I can not parallel it in any better way—is like that of a mad horse in full run with broken reins, or a steam-engine without a regulator. The remedy for it all is in the paragraph that I will read; and I point to this little book and ask Senators, when they have time, to examine it—Hankey on Banking. In the paragraph that I shall read is the whole secret of the success of Great Britain. Adopt her plan, and in six months your finances will be in as healthy a condition in the matter of interest as hers is. If you will provide this machinery, I will give a bond to the extent of my whole property that that

condition of things will exist; that instead of building your railroads and losing them at the same time, on the capital advanced to you from London, you will have the capital at your door thanking you for using it. Speaking of the Bank of England, the writer says:

"No. 3 is perhaps the most important of all, as it comprises all the accounts kept on behalf of Government, for whom the bank receives every shilling of the income of the nation, as well as the accounts of a large number of public and private mercantile and other establishments; and here it is that the economy of banking can be most fully appreciated. The whole revenue of the Government arising from its daily receipts of customs, excise, post-office, taxes, stamps, etc., no matter whether received in London, Cornwall, the Hebrides or Galway, finds its way almost immediately into the Bank of England, and is thereby rendered instantly available for the daily demands on the State. In all these transmissions scarcely a sovereign is used; the whole is effected by purely banking arrangements. The collector of Government may require to transmit £50,000 from Liverpool to London, but some private individual on the same day wants to remit £50,000 from London to Liverpool through the Bank of England, or through some other bank; both transactions are carried out by the mere entry in books and the advice or instructions sent by the post. The revenue is paid into the Bank of England at the rate of about one million pounds a week; that is, in ordinary times. A considerable portion of this is allowed to accumulate to provide means on each quarter-day for the payment of the dividends on the Government debt. Suddenly on those days, five or six millions sterling are paid away by the bank to the public; but the difference as to the abundance or scarcity of money, just before or just after the payment of this large sum, is scarcely appreciable."

There go into our Sub-Treasury, from day to day and from week to week, large amounts of taxes, and they are kept there, while the money in the market is bare and scarce, and is operated upon to make it still scarcer by the speculators with knowledge of the circumstance, to create for themselves increased value on the capital they employ.

I thank the Senate for their attention.

THE TAX BILL.

SPEECH

OF

WILLIAM SPRAGUE

IN THE

SENATE OF THE UNITED STATES

APRIL 8, 1869.

THE TAX BILL.

MR. PRESIDENT: It is not my intention to confine myself strictly to a discussion of the measure before the Senate. I observed, a moment since, that the effect on the distiller and manufacturer of whisky of compelling him to withdraw his whisky before it had ripened for sale, would be injurious to him. I did not say that it would invite speculation, but such will be the result of it. The compelling of a manufacturer to raise large sums of money at this time, at an exorbitant rate of interest, is an oppression toward that manufacturer, and that assertion can not be gainsaid. The effect of placing upon the market large amounts of this commodity will certainly be to depress for a time the market, and there are those who stand ready to seize that favorable opportunity, based upon the distress and the misfortune caused by the action of the Government, first forcing them into this condition, and then forcing them out of it at a time when they are not prepared, and when the market is in such a state as almost to put them in a condition of bankruptcy, if this policy be persisted in.

In another point of view, the discrimination between those who import from foreign countries and those who manufacture at home, must be considered by the Senate. Those who import foreign productions are entitled to three years' time previous to the withdrawal from warehouse of the article that they import. This is in my mind a measure that has not received the consideration, based upon information from the correct source, that it ought to receive. It ought not to pass this body. This constant legislation, affecting existing interests, by Senators who can not be and are not conversant with the interests of this particular subject, is unfortunate. How can they be conversant with it? What I complain of, here and elsewhere, is this constant tampering with the interests in which the people are engaged, in order to force from them Government revenue. The whole legislation here

is to protect the Government; and there is, in my deliberate judgment, very little attention paid toward protecting the interests in which the people are engaged.

MR. SHERMAN: I do not want to interrupt my friend, but I desire to say to him that there is not a single clause or section of this bill which is not demanded by persons engaged in the business themselves. Every section of this bill is for their relief, not for the relief of the Government.

MR. SPRAGUE: Complaints come to me from those engaged in this interest. They have satisfied my mind with the correctness of the statements they have made, though they have not apparently affected the mind of the Senator from Ohio.

Mr. President, the attendance to-day is significant. Whether the crowd in the galleries are here from curiosity or from a deep interest in the present condition of the country, each one that occupies these seats can better judge. If they feel as do those who communicate with me on paper, and express themselves concerning the present condition in which this country is, as regards the action of the Government on the interests of the people, they are not here from curiosity, but from a deep anxiety concerning the welfare of the country.

It was observed by my friend, the Senator from Nevada, some time since, that I had united in the measures which had prevailed in Congress. I did not think then to state, as I now do, that it is not only right, but the duty of every man, whether he occupies a private or a public station, when new light breaks in upon him, or when the information and reflections that crowd upon him are of such weight as force him to a different conclusion from that he has heretofore held, to at once change his ground and act according to his honest convictions. I came into this chamber some time ago, from a deep sense of duty, to communicate to the Senate and to the country my reflections on the state of affairs, and the great anxiety that was a second nature to me, that had become a part of my being. It is the policy and practice of the Supreme Court of the United States, notwithstanding there is new light on an old subject, to give to the new subject with new light the decision that it gave to the old subject with the old light. It is for the purpose of maintaining their prestige, regardless of the merits of the case. That is the policy and the practice of all interests that design to perpetuate themselves and to increase their power. There is no other reason why Senators should hold to the opinions that they have heretofore held, except it is to be consistent, strong, arrogating to themselves and to the body power, without regard to the change of circumstances and conditions around them.

Have the people of the United States observed, have reflect-

ing Senators and members of Congress observed, have politicians observed, that there is in our form and system, as now practiced, no check whatever in any of the branches of the Government, or among any of the privileged interests of the people? As to the Executive, what has been the spectacle that has exhibited itself to the country? Was there not an effort that convulsed the country, and blanched the faces of thoughtful men, to bring the President of the United States to the bar of the Senate, to be checked for what the Senate thought was an arbitrary grasp of power? What is the spectacle that has been presented to the country in the last few weeks? The Senate have held on to power with a tenacity equaled only by the hold on power of uncontrolled and unchecked tyranny in the past. I referred a moment ago to the judiciary, in the appointment of which this body shares. Certainly, on a consideration of these three branches of the Government by thoughtful men, they must decide that the powers now exercised by the Senate, in connection with all these three branches of the Government, are far in advance of those that were exercised by them when the Constitution was first established.

We find, too, in the country two great religious bodies arrogating to themselves not only the powers of their holy calling, but exercising an almost controlling power in the political affairs of the country, as well as upon the social condition of the people. I will not point to those who lead in directing the interests of either one or the other of those great institutions; but I point the attention of the reflective mind to their growth and influence otherwise than was originally contemplated, or desirable, when this people first established for themselves a republican form of government.

We had before the Senate, the other day, the spectacle of a contest between two great monopolies. The great railroads across the continent have been here at the bar of the Senate, to contest their claims to an aggregation of more power than they would otherwise have. I point to those great monopolies, and I ask the people of this country if it is a pleasing spectacle to them to find Senators of the United States concerned, on the one side or the other, in advocating the claims of each?

I point to the trades of the country. Is it a pleasing spectacle to witness in the great city of New-York the growth of one or two great interests, and the poverty of all the rest? And when I speak of poverty, those of whom I speak will respond to the words I utter. I point also to the great manufactures, greater now, far greater, than when I first came into the arena of private or public life. I ask the people about and around those great interests whether or not they prefer the present condition

of things to the condition in times past, when there were other smaller interests, but who had power as well, and who neutralized and checked the growing and overshadowing influences of the great concerns?

The example of the Government in arrogating to itself superior powers is followed by the people; and I shall show before I take my seat, that it is owing to a condition of things growing out of the construction of the Government itself.

Sir, I have aroused the attention of the country to their affairs. That must be patent to every Senator. I have not spoken words that have not been spoken at other times, but they did not then touch the popular heart; and why? The popular heart and the popular mind was never before in its present condition, for the reason that the future never looked so dark to the people of the United States as it looks to-day. They do not know what the difficulty is, or how to remedy it. They do know that there is a pressure upon them that they can not throw off. They look to Congress, who have absorbed the powers that I have enumerated, to give them relief; and when they hear words different from the words that have heretofore been uttered, those words command the public attention.

Another reason is that the people know from those utterances that I am conversant with their condition; that I know the causes that have produced that condition; and they feel, from the foreshadowing of the idea of the remedy, that there is hope for them.

I have not come before the Senate or the country for any idle display, or for any purpose of sensation. I certainly do not desire to be the object of the gaze of the people of the United States. I would have preferred to leave this country and to take myself far from the sight and far from the hearing of that which I believe to be, know to be, its ruin, unless there is a reversal of the policy and the acts of this body. I am convinced of it because the facts themselves have impressed it upon me, and because the condition of the people of this country now presents to me an exact parallel to the condition of other people when they commenced their downfall.

The Senate of the United States may well have misunderstood me. It has always been my nature to hide myself from the public gaze. It was my boyish nature. If I was to be found in earlier times, it was easy to find me removed from the confusion and from the observation of all, devoted to my own reflection upon the subjects that were presented to me at the time. Such, sir, is my nature; and there must have been a strong power that could have forced me to the expression of my

views and reflections, so contrary to the general sentiment of the body, so at variance with the party now carrying on the affairs of the country. Were I to consult my own convenience and pleasure alone, I would continue, as I had done, silent and apparently inattentive to the business and affairs going on about me. But, sir, I could not do it. I could not resist the pressure that compelled me to speak that which I thought, that which I knew to be the truth, and that which, if not ultimately acted upon, would carry the country to ruin and servitude as certainly as things went on.

I do not speak from feelings or opinions formed now for the first. For some time I have noticed the general tendency of things. If I needed any confirmation of my views, I have it in the fact that the condition of the masses of the people to-day is far more unsatisfactory than it was a year ago. From the South and from all parts of this country come to me letters asking for employment. I am supposed to be rich, and I am made the objective point for these solicitations, perhaps, more than the friends around me. The inquiries that I make and the information that they give confirm me in my opinions, if I needed confirmation.

One great difficulty that exists is that those who possess large interests come here with their attorneys, men familiar with the legal mind, and their case is presented in a legal way, and meets the judgment of the legal mind. The business man, familiar simply with the routine of his own business, not looking much beyond it from day to day, brings to bear upon his interests no language, no information, that can draw the attention of minds thus constituted. It is for that reason that the great business interests of this country, without which the Government is of no avail and the object of its establishment is a failure, suffer.

I think I shall prove conclusively to the minds of all who read that the condition of the country to-day has a parallel in the history of Spain under Philip II. when she lost her possessions and commenced her downward career. I shall point to the Netherlands as another parallel, showing that by the adoption of the plan shadowed forth by me she maintained that supremacy which was the wonder and the astonishment of the world.

Before entering upon my proof, I design—as I have heretofore omitted to mention it among the great powers now absorbing all the interests and all the privileges of the people—to speak of the press. I have a word to say to the press. You are a great power in the land; greater than all the press in other lands

combined. With this great power in your hands, one notices that you have not, considering the condition of the country, used it to promote the prosperity of the people. You are represented here by your reporters and correspondents. I speak directly to you both. You pretend to give wholesome advice and right direction to the thoughts of the people. I believe you assume to be the champion of liberty. Freedom of the press is said to be the synonym of freedom for the people. Of course you are always thus engaged. No influence otherwise affects you. In fact, you can not be bribed into the special interest of any body! The young men about me, acting as your correspondents, who find it difficult to live on the pittances doled out to them, are never tempted, of course, by the great corrupting influences around them, into words contrary to the justice and good of the people! If the people come ever to believe the contrary of this—that you are the ready tool of the oppressors of the people, that your watchwords are but a delusion and a snare—your influence will be less than now. But let that go. If you are truthful and do stand truly by the liberties of the people, and war on servitude, why slur my utterances; why underrate the person who utters them, his arguments, his facts, and his position? If you are true, let us understand it. If you are the tool of the rings, of jobbers, of the great monopolists of the state, of the bar, o the land, or of money, let us understand that also; and the people, who are not yet, I hope, so far reduced as to be incapable of striking a blow in defense of their liberties, will know exactly where to point their guns.

Let it be understood, once for all, that I will not run a newspaper merely, or organize a political party. I am going to advocate a true system of finance based on the great principle which has presented itself to me—the power of the people exercised directly in their own interest. For myself, I enjoy all I can aspire to; I will not be drawn from a great idea, and one which, in my confident belief, will give to my countrymen a higher and nobler position than has ever been enjoyed or even aspired to by any other people since the world began. If, however, I were President of the United States, which is the only office that is the direct representative of all the people, I should make an effort to administer the office based on the general interest and average opinion of the people. To accomplish this, I should throw out from a semi-official source a glimpse of measures that were to be acted upon, as Lincoln did, that there might come to me the views of all conditions of people. It is true safety thus to call up the general judgment; and subjects of public consideration might, by this arrangement, become so

modified as practically not to be those originally proposed, and a disclaimer could not be impeached.

We are carrying on this Government now, not only from the lawyer stand-point, but from that of one set of political opinions. There is no safety either to those who enforce the adoption of such opinions or to the people for whom they are enforced. And it is the part of wisdom to oppose them by all the force of reason and logic, presented in a public way, so that neither Radical, Democrat, nor Republican, nor Conservative, or what not, shall have the whole destinies of the people regulated by their theories or views. This is the true place for the President, and it is also the best security for the people. Sir, it is in this as in regulating the money matters of the country. If the Government is carried on by hoarded and centralized opinions, our money affairs may also be as securely carried on by a condition of hoarded and centralized capital. The latter I am at war with. I hope the Administration will consider the suggestions I have here thrown out.

I have repeatedly said that the remedy for our financial difficulties is clear to me, and that it is also sustained by the clearest proofs. Two classes of minds are to be operated upon. Now, the professional mind is affected by a presentation of views only when conclusive to it. The professional man's opinions are modified or sustained or changed altogether by the enforcing on his conviction that form of truth which may enable him to draw just conclusions. We would fail by the introduction of any other character of influence than that to which he is most accustomed. I have many times succeeded in dislodging long-settled ideas and views by antagonizing with them stronger, or those which appeared to be more practical. The professional mind must feel the force of this use of opinion, logic, and reason to influence the logic, opinions, and reason of others. These are practically hoarded and centralized conditions of human thought upon which we seek to operate. I do not use the thumbscrew in removing opinions at variance with mine. I simply desire to marshal thought against thought, that the stronger may triumph. Thus, as mind must meet mind to dissipate ignorance and error, so money must meet money to dissipate capital so injurious at this time to the popular welfare. I would wish that as mind must contend with mind, in the same manner money must dissipate the hoarded and centralized conditions of the money market. It seems to me that I must succeed in establishing my point with professional men by introducing new light into their reflections.

Now, as to the unprofessional mind, the business mind. When the merchant or manufacturer observes capital in a few

hands, and out of his reach, he feels its disastrous effects on his trade and business. If he bids more for it than his neighbor, he gets it. He must go into the market as to an auction. Now, he knows that the better condition would be that it should come to him. It can not go to him, however, while in the condition of an auctioneer's sale, because it has formed that business relation. He must be made to see how it can be freed from that relationship. Certainly, if there was in the general money market as great volume or breadth of capital as is now held in few places, and out of his reach, his condition would be very different. The power of centralized, hoarded capital would be equal all around him. If he was pressed on one side by its influence, he would be sustained by a counteracting pressure on the other. A power that will produce that condition is what he seeks. Having it clearly in my own mind, let me see if I can demonstrate it to his. When I draw from the hoarded or centralized capital a part of itself into another equally centralized position—as from banks and bankers, and other capitalists, into the Treasury—which I really propose to do by force of the large sums I would loan out derived from the gold already in the Treasury, by the issue of coin notes thereon, together with the daily balances there, and the Government revenues and individual and other deposits, which deposits are consequent upon the loans, inasmuch as the proceeds of such loans would be replaced in the Treasury, subject only to the ordinary calls of the depositors. Thus, as contemplated by my bill, I should take away from one and give to the other, and if by an arbitrary rule I give it out on the general market from the Treasury into which it had been drawn—and I repeat this process every day—have I not produced an equal condition of the market? Have I not forced the capital of banks, bankers, and capitalists down to a level by the money pressure about them? Can they sponge up the stream from the Treasury as fast as it flows? Certainly not in their weakened state. It seems to me that the intelligence of the business mind must at once perceive the soundness and strength of my position. The lesser must give way to the greater, as is practically effected in all countries where a low rate of interest prevails.

The mass of the people must see that in doing away with the great capitalists under whose manipulations their labor is so unprofitably employed, and substituting therefore a general and equal pressure of money, of which energetic and active men may avail themselves, their condition is substantially improved by labor receiving its fair reward.

I think I shall convince the minds of the masses of the people. I think I shall convince them of the fruitlessness of

striking at that which, though now an enemy, may, by the measure I propose, become a friend. The general views and opinions touching currency being based upon the present ruinous condition of things, can not be relied upon as a refuge from the evils felt by the people.

The people must not be deceived by false arguments as to the danger attending the loaning of the public money, or care of the deposits received from the people. Are not the great banks now controlled by one or a few men unchecked? Is not the people's money speculated upon and loaned by hundreds of irresponsible persons—officials of the Government? Is there any watch on their money except the watch with which a boy in the Treasury is charged? That is all. In every government the exercise of this supervision is in the hands of the highest and best men of the nation. This is not so with us. When objection is made relative to this supposed danger, ask them if you have not clothed the Congress with powers, the judiciary with powers, and the Executive with powers; all of which seem to be exercised in the interest of each branch of the Government for itself? The Executive is interested for his class; the Congress for the politicians; the judiciary for the bar. Now, shall not the people have the council of finance in their interest?

It will surprise the American people to know, and it may also be received with a smile when they are for the first time told, that the framers of the Constitution failed to ingraft upon it that which gives life, vitality, and perpetuity to a republican government. They gave us—intentionally or otherwise, I know not—the shadow and excluded the substance. The provincial government and also the union of the States of the Netherlands two hundred and sixty years ago, in other forms, gave far greater liberty to the citizens than ours of to-day. It also better preserved him in the possession of his property. The original settlers of New-York and part of New-England were from those provinces. They were religious people. They established, or thought they did, freedom of conscience; for it was for this that they fled from their homes. They were not familiar with the great principle that underlies society, and without the application of which the personal liberty of the individual in the construction of the state in such only in name. In the study of the history of those states it will be found that that principle is measurably disguised; but it pervades the whole system of government, and gives character and direction to it. It is, as it were, a rudder to a ship—the most insignificant part of a ship in appearance, but it has a power indescribable, and only perceived when it is applied. It was a principle like this

that gave to Holland, two hundred and sixty years ago, sixty bushels of wheat to the acre, while we obtain but from five to twelve; and which sent three hundred thousand tons of fish per annum to foreign markets; whose manufactures were sent to every clime; whose harbors were almost inaccessible, and yet whose commerce was larger than that of all Europe besides; and whose territory—little more than one half as large as the State of Rhode Island—sustained in constant employment three millions of people, and held possessions in America and India, the latter of which she holds at this day. She so remained without check until 1694, when the principle on which her prosperity was based was applied by the English people.

I say this principle pervades every phase of the construction of the Government of the provinces and the republic, and was the source from whence came all of our forms of government. The framers of the Constitution of the United States exhibited, in my judgment, a want of practical knowledge and real penetration when they failed to make that principle the most prominent article of our Constitution.

Let us call it a discovery; for no writer on finance, no speculator or philosopher on the action of money, concentrated toward a given point and assaulting the enemy's capital, has shown its results both on property and people. I have said that the principle I speak of was measurably disguised. I quote from the history of those times:

"We ask why the conduct of the Bank, [of Amsterdam,] instead of being made public, is kept secret and remains mysterious? The true answer is, that should the proprietors of the treasure lodged in the Bank of Amsterdam come once certainly to know that any use was made of the money there deposited, many of them would be apt to think they might as well employ it in the same manner themselves."

These words indicate exactly wherein was concentrated means through which and on which the great prosperity of that nation went on, and the republican form of government maintained.

I say that in my judgment this, though an apology for the framers of the Constitution, goes but little way when from the forms borrowed from the Netherlands the real substance, that which gave these forms value, the council of finance and the loaning of the public money, was neglected and omitted. The truth is, we have been going on from the beginning of our course on a carriage with but three wheels, which ought to have had four. The omission has brought us to our present demoralized and dangerous financial situation. This omission permitted the creation of two great interests for mutual destruction; it caused the loss of the strength of our best lands, kept our manu-

factures stunted, almost destroyed our commerce—which once destroyed, can never restore itself.

The absence of the financial department of our Government is best exhibited by an account of the council of finance in Burrish's "Batavia Illustrata," concerning the different branches of that republic called the republic of the Netherlands:

"SECTION IV.

"*Of the Council of State and General Chamber of Accompts.*

"The erection of the Council of State was projected by the States of Holland, Zealand, and Utrecht in concert with that great politician William I., Prince of Orange. The tragical and unexpected death of this prince, contrary to all expectation, produced very little alteration in the measures that had been taken in his lifetime for the establishment of this council, which the States General erected in the same year, 1584, with a very ample authority. Affairs of state, both foreign and domestic, the army and revenue, were all intrusted to her care; but the States themselves soon grew jealous of this extraordinary power, which they resolved to reduce gradually; and accordingly by a new instruction, in 1651, the disposition of military affairs and the command of the army, from being peculiar to the council, was in part transferred to the States General, who now give orders for the safety and defense of the State, the motion of the troops, and the operations of the campaign. But this is not done without consulting the council, however, which still retains the care of raising and disbanding, clothing and arming the soldiers, of exercises and reviews, and in general of all the military discipline and economy. She is likewise charged with the care of the fortifications and magazines of Gelderland and Overyssel, which make the frontier of the seven provinces.

"Business of state, especially that which is foreign, depends now entirely on the States General; but the council still retains the inspection of the general revenue of the union, and gives orders for payments; on which account the treasurer general has his seat at this board, and a right to debate, but not to vote. The office of treasurer is for life, which gives him an opportunity of acquiring so perfect a knowledge of affairs as makes him entirely necessary. It is he who prepares every year, under the authority of the council, an exact account of the funds necessary for maintaining the troops and officers in pay, and all other expenses that regard the generality; which is what they call *l'Etat de la Guerre.*

"The receiver-general attends here likewise, to instruct the council what funds are in his hands; which being done, he withdraws. The treaty of union obliges each province to levy certain taxes, to be applied to the common necessities of the whole body; but this article could never be executed and probably never will, because the inland provinces, who have little or no commerce, can not possibly pay an equal quota with those where trade flourishes. The following proposition is what each province always pays in the sum of one hundred gilders or florins.

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"They do not always confine themselves, however, within their settled proportions, but raise such sums and by such ways and means as they think proper, of which they send their quota to the receiver-general, and employ the rest as they please. In time of war, when the ordinary revenues are not sufficient for the necessary expense, the council demands the

settlement of new funds from the States General; and to these extraordinary expenses the provinces contribute in the following proportion.

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"In the assemblies of the States General and provincial States the suffrages are not taken *capiatim*, but *provincialiter;* and therefore the provinces and the towns may send what number of deputies they please, because they all virtually have but one voice. But in this council the provinces are represented by such a number of deputies as bears a tolerable proportion to the money which each of them contributes for the support of the whole, with exception only to Groningen. Gelderland has one, Holland three, Zealand two, Utrecht one, Friesland two, Overyssel one, and Groningen two, who, with the deputies of the nobles and governors of the provinces, are the persons that compose the Council of State. And here each member has a decisive voice, and presides in his turn, without regard to the rank of the provinces.

"For the regulation of accompts between the provinces, and auditing those of particular receivers; with the income of the lands which belong to the state in general, there is a chamber of accompts, composed of fourteen deputies of all the provinces, and two secretaries, who likewise do the business of auditors and correctors. This chamber examines the accompts of the several admiralties, who receive the money arising from duties of importation and exportation, appropriated by the States to the service of the navy. In the same manner she superintends and regulates the expenses of the States deputies who travel and execute commissions for the public; the salaries and extraordinary expenses of ambassadors, extraordinary deputies, and other ministers employed in foreign courts; and keeps an exact register of all orders made by the Council of State, for whose ease she was indeed chiefly erected."

Thus, sir, is seen in the construction of that Government a power equal almost to the executive power, that superintended all he money received and all the money paid out by the Government. As with us judges are appointed for life that they may be familiar with the law and with the precedents, so as to give uniform and correct judgments in cases that are brought before them by the people; so here we find that that important branch of the government, the charge of the finances, was placed in the same relation to that interest that the judicial branch of our Government holds to the bar. These men who occupied the position of Council of State were men exalted in name, in character, and in ability, beyond those about them. When, as I have observed, all the funds that were inspected by this great power were centralized and used in the interest of the people, regulating their business, controlling all their great departments of state, and giving to that people a prestige never attained by a similar number of people in the world, I must certainly draw the attention of the people of the country to the omission that I have referred to in the formation of our Government: the omission of a financial department to correct the growing arrogance and power of other branches of the Government, and to correct and check the overshadowing powers that are growing up and destroying the interests of the people.

In connection with this subject we should consider the situation of the three million people who have built their habitations almost upon the sea. In a paragraph in the same history we are told that

"The large dikes or ramparts, which they throw up to keep out the water, are an immoderate expense to the country; and what is still worse, the sea and the ice very often cut and break through their strongest works, or force over them in such a manner that it often takes up years to free the country from the inundation, and restore it to its former circumstances.

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"But this situation, however inconvenient and unpleasant, has its advantages with relation to commerce; for there being very little land in Holland, and that extremely bad, the merchant has no temptation to draw his money out of trade; which continues to accumulate, from one generation to another, and by this means becomes so plenty, and interest so very low, that the Dutch are from thence, in a great measure, enabled to sell cheaper than their neighbors."

Here is conclusively shown that, by the operation of the council of finance and the introduction of the government money upon the market, there was obtained a low rate of interest, by means of which and through which a population of three millions obtained their livelihood, and sustained a commerce greater than that of all the world beside.

These three million people were thus employed, according to this authority: five hundred thousand in the sea fisheries, including those who built the vessels and supplied them with necessaries; two hundred and fifty thousand in the agriculture of the country; eight hundred thousand in manufactures; three hundred thousand in building, equipping, and navigating all kinds of ships and trading vessels; eight hundred thousand in procuring and furnishing all things necessary for the support of life, aliments of all sorts, with clothes, buildings, furniture, and all the long train of conveniences, superfluities, and embellishments; and the remaining three hundred and fifty thousand were the nobility; those in employments, lawyers, all those that lived on their rents, with their servants, the military men, and the poor.

This was the condition of the people whose commerce was maintained in the supremacy I have indicated. I ask the people of this country to examine into the present condition of their foreign commerce, and to ask themselves if it does not conclusively show that they fail in having that element of strength that this prosperous and powerful republic, of two hundred and sixty years ago, possessed.

I again quote from the same authority in reference to the manufactures of the various provinces:

"To this prodigious extent of foreign commerce we must add the manufactures ascribed to the several towns above mentioned; all of which, with exception only to the Delft-ware, are more or less practiced in this powerful and opulent city."

Referring to Amsterdam:

"A multitude of hands are employed in all kinds of tapestry. There are numbers of mills for sawing all sorts of wood into different dimensions. Others to work and polish marble; mills for making gunpowder, for grinding snuff, and for drawing oil from seed. There are refineries for sugar, salt, cinnamon, camphor, borax, sulphur, yellow wax, etc. And, as Huetius observes, one may apply to Amsterdam what Vopiscus said of Alexandria, after he had summed up the manufactures practiced there: 'That all its inhabitants followed some trade; that the lame and the gouty were employed, and even those who had the gout in their hands did not sit idle.'"

Now, sir, I have presented as well as I could the simple condition which gave to the republic from which we obtained our form of government the prosperity that she enjoyed. I have given it from a history written at a period familiar with that situation, and there can not be any mistake in reference to it. Let me next refer to the condition in which Spain found herself when by the efforts of Charles V. she ruled most of Europe, and lost it. If she did not rule it by possession of territory, she yet ruled it politically and commanded the situation. When I draw attention to the causes and the circumstances attending the downfall of the Spanish monarchy, the people of the United States will see conclusively the influences that are contributing to the downfall of this country. I read from the same authority to which I have already referred:

"Every body knows that the force and grandeur of Spain depends on the annual returns that she receives from her colonies in the West-Indies; and were the treasures that are brought from those countries to remain entirely with the Spaniards they would be more than sufficient to render them what they once were, the most redoubtable enemies and most tyrannical allies in the universe. But the incapacity of Spain to furnish a cargo for the supply of the West-Indies forces her to share the profits of that commerce with the other trading nations of Europe, and thus the return of the galleons and the flotilla is as necessary to the merchants of France, England, and Holland as to those of Cadiz and Madrid.

"This poverty which incapacitated the Spanish to supply the West-Indies arises from mismanagement in their European commerce. The vast equipments made by Philip II., and the ill-success of his enterprises, had so totally destroyed the naval power of Spain that after the peace of Munster the Spaniards found themselves obliged to hire Dutch vessels to carry on their trade to America. The wars they were afterwards engaged in with France, the sums expended in the preservation of the Netherlands, as well as the Italian States dependent on the Crown of Spain, the vast numbers of men consumed in the defense of those countries, from the peace of Munster to the death of Charles II., and the several calamities which harassed Spain from the decease of this prince to the peace of Utrecht, have been so many invincible impediments to the revival of their navigation. Since the treaty

of Utrecht they have been zealous to restore their maritime force, but have been mistaken in the means.

"If the money laid out by the Court of Madrid in the Sicilian expedition and the equipment of that fleet, which was so entirely defeated by our admiral, my Lord Torrington, in 1718, had been employed for the immediate encouragement of navigation either in the nature of loans to particular merchants or any other effectual method for fitting out merchant ships in the several ports of Spain, I believe that by this time the Spaniards would have been able to carry on their European commerce entirely with their own ships, and this would in a little time enable them to fit out a navy and to supply their West-Indies without the assistance of any foreign nation. But the Spanish Court was resolved to have a fleet at any price, before they had laid the necessary foundation for its support—that is, before they had extended their own navigation so as to have a constant nursery for seamen, and before they had a sufficient quantity of stores in their country to repair any sudden loss, without which it is vain to think of keeping up a navy, except at such an expense as even all the treasures of the Indies would not be equal to."

Philip II. would have a navy at any price; and instead of strengthening his people through their industries, he drew from them revenues sufficient to build his navy, by which means his commerce was destroyed. Is there not a parallel between his course and the policy of Congress, and those who are influencing congressional action, in enforcing specie payments upon the nation regardless of every interest in which the people are engaged? If there is any application in the words quoted, and in the circumstances attending the forcing upon the Spanish people of the building of a navy, do they not warn us as to the consequences of forcing upon this people a condition of specie payments by which and through which their industries are to be prostrated; for is it not evident to the mind of every man that by law, as by any other system of speculation, there has been brought into the money market a force, backed by the whole power of the Government, which has resulted in the increased price of money from the beginning of that experiment until the present time?

Sir, there is no industrial interest in this country that can obtain a profit to-day based upon the interest that the Government itself has elected to pay by the forcing of capital into the hands of the few and out of the hands of the many. If reflecting men can not and will not see in this the cause of the destruction of their interests and the precarious condition of their affairs, and the wrong policy that has been pursued here from the beginning, they must be blind indeed. Philip II. forced his people to build him ships to carry on his wars. He took from them the very means that would have sustained his commerce and his manufactures. And what have we done but to take the means of the people from their industries to establish by force a condition of specie payments, and give an increased value to

government securities? The Congress of the United States are to-day managing not only the political condition of the people, but they are certainly managing every individual and every collective interest of the United States. There is not an interest that there is not a constant agitation for some law respecting it. No business-man knows to-day what Congress may do to-morrow, what laws they may enact, and no man knows how to provide to-day for a year from now, not knowing what will be done in Congress. Sir, is that the business that men who occupy seats here should devote themselves to? Why not let the people alone in the management of their affairs? Why draw from them that which alone can give vigor, strength, and activity to their operations?

I have, Mr. President, felt called upon to criticise in the best language that I possess those matters which were deemed by me to be imperfect. I have endeavored to show to the people of the country, and to turn the attention of Senators, by truthful utterances, toward the exact condition of matters here and elsewhere. I am certainly confirmed in the position I have taken by the indications that come to me from all quarters. I can not hesitate to characterize strongly the growing, monopolizing, and vicious powers that are coming unchecked upon the people; and I deem it a duty to bring to bear upon that condition of things such illustrations, and point to those which to me are most applicable.

I have pointed to the action of Congress, members of the two Houses, in the demands they make upon the attention of the executive department for office; but I have not pointed to a condition of things among the people that is as vicious, that is as injurious to communities, to states, and to nations, as the operations of the members of Congress in applications for prerogatives and offices for their friends.

As I said, I use the best illustration at command to show the pernicious influence of those who control capital merely on legislation, society, business, and even on the fortunes of war. Any reflecting mind may easily perceive that the people are made both cowardly and poor by such influences, exercised as they now are and heretofore have been. It has been said, and I have had a powerful experience to support the truth of the saying, that there is nothing at once so cowardly and so vicious as five hundred thousand dollars, except—a million.

Now for my illustration:

There is in my State a great capital centred in one family; and that family has a newspaper organ, and that newspaper organ is controlled by my colleague. There are throughout the State those who receive or expect to receive stipends at the hands of that family, or whose business rests on its favors.

They and their agents are in possession of most of the moneyed institutions of the State, and when they sneeze, there is a great deal of sneezing from one end of the State to another. No man knows, unless he conducts a large business, how sensitive credit is in times of stringency in the money market. It is like the virtue of a woman, easy to be stabbed in secret. The slander gathers strength as it goes, and the character has suffered a wound from which it never recovers. But the cowardly attack, of course, indicates a cowardly nature.

It will be remembered that I commented a few days ago on a paragraph which had recently appeared in my colleague's newspaper. I desire to say to the people of Rhode Island and the country that those who hold in their hands large masses of the capital of a community influence the course which all the capital of that community takes, no matter how situated. If the holders of such capital are moved by envy or hostility, they have it in their power to sacrifice those who by the exercise of their own energies are carrying on extensive operations. I ask the people of Rhode Island if it would please them to see the great interests I represent receive the stab I have described? But the effort to stab me has at least been made. The members of the great moneyed family I have adverted to have taken recent occasion to say to those controlling capital heretofore employed by me, that "SPRAGUE is very much extended," "SPRAGUE is investing in the South," "SPRAGUE is doing a very great business;" and all this with a shake of the head which shook the heads of all around, as much as to say that they did not know how it would come out. I struck back, direct at the hand which struck the blow, and which, after striking, wrote an account of it for my colleague's paper. I took occasion to state the reason for using the credit these vicious eyes called attention to. It was that I was carrying large stocks at fifty to seventy-five per cent less than others were doing. The effect of this was to keep the New-England mills in operation. Suppose the market for these cloths was allowed to drift down to seven cents per yard, how long would the mills have been kept running with cotton at thirty-two cents per pound? And if the general market had been met and lowered instead of held up, how long would those who used those goods at even so low a figure as seven cents a yard be able to keep them in the general market? When they know that six hundred thousand pieces, in different forms, but in one mass, of these cloths were held out of the market by the use of the credit sought to be damaged, what will they say? What was the satisfaction of those who—others than those I represent—when it was no longer possible to hold up the market, were driven by

their necessities to accept less prices than the market price, when the whole volume of goods were sold following their action, held up by the means I have indicated? When the New-England manufacturers can see an inch before their eyes, they will see that the whole policy of those I represent has ever been to enable those about them to go on and profit in their business enterprises. I challenge the first instance to the contrary. Without this policy the labor employed in the various manufactories about us would have received far less reward than it did receive. Those I aim at long ago scented the idea that when great credit or great capital is used to sustain or depress the market the object is usually effected. I disparage these great business concerns; but, sir, the inevitable tendency of things is to them. Let my people remember that not many years ago there were numerous small interests about me where there is not one now. All are consolidated; and these consolidations work serious injury to the independent character of the laboring people. Great interests must war on smaller ones in order to sustain themselves. It is the inevitable consequence of the imperfect character of our legislation and Government. Riches find their way to the pockets of the rich, and deeper poverty comes to the homes of the poor. If I can help it, I will not live among a people who are paupers, and who bid fair to become slaves to these great institutions.

This is my war. It is not a war upon them; but it is a war to give to the people equal facilities with these great establishments, that they may safely employ their energies in the same business, and of course as competitors with them, and as checks upon their power and supremacy.

I will not have a whole community subject to a bad condition of my stomach, or subject to all the ills humanity is heir to. What is that but an abnormal condition among the people? Am I warring against my own interests? Will a people who are made poor by the operations of these powerful establishments among them permit the inequality of great poverty for themselves; great riches in the hands of the few? Not unless they are slaves, sir. So far I am not at war with my own interests, as those about me, without this statement of facts, might be induced to believe. I have taken my position because I believe I see further and clearer than the holders of the power I have indicated. They are like the stragglers who, when the line is presented in full front to the enemy, are in greater danger than those who are receiving the full fire of the opposing forces. I have heard that there are more stragglers—those who fall out of line or who crowd together—killed than among the courageous and faithful who stand unswerved in correct alignment,

receiving the fire of the enemy, and doing good execution against them.

I proceed with my illustration. This great family came to me in 1857, and made this proposition: "Let us join our forces, prevent a suspension of specie payment, break down those who are our rivals in business, or otherwise, and buy up their property." At that time I had no debts whatever pressing upon me. But did I unite with them in carrying into effect this vicious and pernicious scheme? Sir, I did not. I repudiated and spurned the proposal, as I now do the proposition to continue the present state of our affairs, which is really to my temporary advantage.

But what, I ask the people of Rhode Island, was the character of the enterprise of this great family? Have they not from the beginning of their history sent out of the State all the capital upon which they could lay their hands? When shamed into the fashion of employing some of their immense resources in the business of the people about them, did they not set an example, in the extravagance of their buildings, which others of less ability were induced to follow, almost or altogether to their ruin? And have they not conducted their business in such ignorant and unskillful manner as to cause injury to nearly every one engaged in business near them? Such at least, sir, is my experience; for I have enterprises in the poisonous atmosphere they create. The people must know that they are directly injured by those who are ignorant and unskillful in the management of their own affairs. Their interests are the people's interests, and the sooner those who are the custodians of them come to this belief, the better for all.

So much for business. I proceed still further with my illustration.

The great family I have mentioned are influential in the management of our college, the venerable Brown University. This institution has nothing in sympathy with the people of Rhode Island. Do the people know that it is because the business office of the great power managed it out of the State? Do they know that they drove from the office of president the intellectual seers who would not submit to the vicious power that would either rule or ruin? Do they know that the Western lands given to the State for an agricultural college, and given to the university through my action—worth now more than a million dollars, if the Senator from Kansas [Mr. POMEROY] be a good witness—were sold for $50,000, and bought by an agent of the college, who aided in procuring funds for the college, and who is the "right bower" of the great power I have described? And, in short, do the people know that the feud

this power has engendered keeps the college in turmoil and confusion, a disgrace to the noble work it was intended it should perform? Are such great establishments any especial advantage to the community, in an educational point of view?

Mind, Mr. President, I use this as an example to illustrate just how the people of this country are controlled and driven to their ruin. The instance is only one of many, but perhaps an aggravated case, which the imperfections of our institutions give existence to; like that I referred to the other day of ten per cent a month.

In a religious view, it will be my duty hereafter to refer to them. In politics, after a simple statement concerning the Dorr war, I shall confine myself to my personal experience. I speak, sir, of the public action, and the public results of their action. I shall await the action of their instrument before coming to a nearer inspection of that which is private. I say, then, that the great Dorr war, which decided a national election, was brought on the people of the State by their management, and ended under their direction.

Now as to my own knowledge touching their political action. Like the inquisition, they work in the dark. The people do not yet know that they have been led about by the nose by their influence. I will tell them.

It is known that I arrived from Europe in the winter of 1860; that I received an ovation never theretofore given to a private citizen; that at that time what was called the radical wing of the Republican party had nominated their candidate. The candidate was not the tool of the great family. At once there was an uproar, and opposition was organized. I was tempted with a proposition to put me in nomination. I refused, as I had previously pledged myself that I would not enter politics. I was young; I had no political knowledge, and no knowledge of the real hand at work. I was told that it was of national importance that the radical element should be suppressed. I refused for a week; but finally I consented. The Republican party was defeated, and lost power for three years. When I had placed myself in the breach, the great power, with characteristic cowardice, held aloof. This power was that which in this way gave the staggering blows that broke up the party in Rhode Island, and made the struggle to elect Lincoln far greater than it would otherwise have been; for the leaders of the party thought there was a change of opinion among the people, and that such might be the case throughout the country. There was not an atom of principle in their work; there was a greed for power only.

I ask the people of Rhode Island and of the country if such

unscrupulous powers growing up among them are safe to their liberties? I answer a thousand times, No!

I was fated. But did I surrender to further temptation? Let my subsequent action show. I saw the impending war. When it came, I went into the armories and among the people, and organized twelve hundred men, with new officers. But in the regiment the great power exhibited itself. And now comes a most interesting phase of the war. History by my silence shall never be led astray. In this regiment, then, I found the power. It came to Washington. I urged immediate action; I constantly urged a movement on Richmond before the Confederates concentrated there. The movement would have been successful, as all said. The strongest opposition came from the rich men in the regiment. These rich men were the power I am criticising. Remember there is nothing so cowardly as five hundred thousand dollars—except a million. And remember it was heralded all over the country; gratified at the unusual spectacle of rich men willing to expose their lives for their country. I posted one of them to guard the revolutionary flag from an excited officer. Did he stand fire? Sir, he ran away at the first attack upon him; like a coward, deserted his post. He threatened dire vengeance when both himself and the officer returned to private life; but I never heard that there was any account presented or enforced.

Well, we did not move. We remained fêted, flattered, and covered all over with admiration. However, I went home to organize a new regiment for the three years' service. Prior to its coming, the regiment moved with the other forces on Harper's Ferry. I hastened from the State and joined them. The movement resulted in nothing; it was too slow. We moved in fear. Sir, fear prevailed in my regiment. Finally we moved to attack the enemy at Manassas. We were at Centreville. The Secretary of War came up. We were brigaded with other regiments; the Secretary of War admired the command. The commanding general relied upon us more than upon double the same force in the army.

But what was the rumor that came to me? What! the regiment refused to move; their time was out. What was the influence exercised here? Sir, it was the million dollars. Their lives were precious; they were three months' men; the lives of the three years' men were not precious. They were poor mechanics; they were fit only to die; but the million dollars would seek safety in a miserable subterfuge. The Secretary of War came to me; the general commanding the army came to me. "What do we hear? Rhode Island refuses to move. There are ten thousand men awaiting the action of your regiment. We will be forced in disgrace to return."

I sent for the colonel. He said the rumor was true. What was my answer to him? "Go back to your command; say to the rebellious—the million dollars—that the country has exalted them to the skies with its praises; that Rhode Island expects them to fight," and, with some emphatic words not now necessary to repeat, that "they should fight, or I would disgrace them to the State and the country." This quelled the disturbance.

I was at the defeat at Blackburn's Ford. I was in the front of the enemy with the only reconnoissance of line that was made. I was the only man from the State who was in that dangerous service. I wanted to feel the enemy; I wanted myself to see him. I did see him for a whole day with but one hundred regular cavalry, nearer than the million dollars ever came.

But anon the forces moved. We were the light division; we were to march in the rear of the line; we were the flanking force, and in the most danger, because we were considered the most reliable. The three years' men acted part as skirmishers, part as reserve. The artillery came next, then the first regiment with its million dollars in high command, and following the other regiments of the brigade. We crossed Cub Run; we felt the enemy; we came upon him posted not forty paces from us. The gallant Slocum formed line on the left of the road with great intrepidity, under fire; the raw levies stood firm as veterans, delivered their fire with precision, and the battle went on; we had no time to look behind.

I took special charge of the battery. The men, detached and separated, were a little confused; some stood firm. Horses were struck down; men lay down and died; for ten minutes I supplied the gun with cartridges and ammunition to give confidence to the line. I kept my horse during the fight; the bullets scratched me and made holes in my loose blouse.

The brave Ballou came to me. With a harsh expression I ordered him back to his regiment. "Where is Slocum?" "Dead." "Where are so and so?" naming a dozen officers. "Dead." "Go back and keep your men to their work; see that they work together." Ballou said: "I come to get assistance; the enemy are flanking us." "Where are the million dollars?" They can not be found. Nobody was there, and they were going it alone, and for forty minutes stood without assistance. Where were our companions? Echo answers—where? Here are the mechanics, who are good enough to be shot and nothing more.

We directed an organized force on our left; we turned our artillery in that direction. We looked for the million dollars. Did it come? Yes; the commander, in fright and alarm, finally brought them from their security in the woods. How did they

come? Sir, they came like a flock of sheep. They formed line like a flock of sheep; they fired in the air. One of the representatives of the million dollars skulked, and his officer disgraced him with a blow of his sword. His reply was that when he got the officer in civil life he would settle the account. But that was the last of it.

Where was he who was placed in high command over this devoted and splendid body of men, whose equal had never before been brought together? for remember it was the vicious influence of only one or two men who were here. Where was he, I say? He had left, had deserted them. He sought safety in safe places. He was not there. The men well remember when I rode in front of them, struck down their muskets to a level with the enemy, and how they received me—the only officer they had whom they could see; and I shall never forget the sensation which I felt in the blast of the enthusiasm with which these twelve hundred men received me. We were ripe then for a charge. I led. Sir, my horse was then shot. I took off his saddle in front of the line; and the men, without order and without energetic pushing, fell back. The enemy continued his fire. I saw the commander of the brigade; I inquired of him, "Where are the officers?" His face was covered with tears; his million dollars should not be sacrificed. With three thousand men unemployed, he harassed McDowell for three hundred regulars to come to his support. They came and cleared the field, and the million dollars was saved.

The regiment was led away; but the artillery remained, and I with it. I inspected the field. I received the full blast of Johnston's reënforcement, not twenty paces off. I saw the men scattered; they were not held to the line.

I returned to the hidden regiments and advised immediate organization to guard the rear; that they should be the rear-guard and hold the post of danger. Did they stand a moment? Sir, the million dollars, had they been in front, where they belonged—four thousand men, three thousand of whom had suffered nothing—would, if pushed, have carried the day. The army knew it. The general commanding knew it, and has so said. I knew it.

Now for the rear-guard. Did they stand? No, sir. The first scattering men that came along scattered them. I made further efforts to organize a guard from among the men coming in. I succeeded for a time; but the haste of the million dollars going to the rear left the space too great, and we dissolved. I gave it up in despair. I joined the million dollars. News came that the enemy were pursuing. With blanched face I was begged by the commander, who was stupefied by the mil-

lion dollars, to take a white flag and go to the rear and surrender the troops, as he would not have them cut up. Twice, sir, was I thus solicited. Did I spurn with contempt, or not, the miserable and cowardly proposition? Sir, we were disgraced.

We moved to our camp at Centreville. I was exhausted with the work of the day; for my bodily strength was not great. I sent to the conference of generals the commander of the million dollars, but who, it will be observed, was the real power directing affairs, with the injunction that we stay there; that we fortify our position; that we should not go back like sheep to Washington; that we should not be further disgraced. Sir, what was their action? I went to sleep; and about two o'clock the stillness awoke me. All had fled; had been gone for hours. I saddled my horse, jumped the fences, and reported to Lincoln; and begged him to send forward new troops which he had to stop the disorder. My petition was of no avail.

The million was asked to wait a week. The enemy were coming on. Sir, why not stop in a place of security? Certainly no one would now refuse. A rat will fight in a corner; a coward will sometimes be worked up to a frenzy. Sir, the million dollars would not stay. The very next train put distance between them and their fancied pursuers. Thus the mechanics were sacrificed. They would not have been had the enemy not found all his forces operating on a short line.

One hundred men paid the penalty. They were poor men, however. The battle was lost beyond a peradventure by the influences that kept the forces in the rear. As splendid a body of men as ever shouldered a musket, other than the million dollars, were disgraced. A nation was paled and discouraged; a State hung its head; and only in its mechanics, in the infantry and artillery, had she a decent place in history.

Sir, it was the influence of the million dollars that struck at me.

They went home; paid *claqueurs* were ready, and an ovation followed. The feelings the *claqueurs* gave rise to embarrassed me when I was in the field. A spirit of disorder and disunion was engendered in every regiment the State sent into the front. One was hardly formed before this counter influence was at work. Is this the kind of direction for a brave people? Is this the sort of influence that it is desirable the American people should build up? I say, No; a thousand times no.

How did the country and my colleague and this Senate reward that action? By a commission as brevet brigadier-general!

Besides this, be it understood that there was a solemn oath taken by the million dollars to bare the breast to the bullets of

the enemy, and I had taken no such oath. I was but an actor without commission or authority, but did act as I have related.

Did not the power, in subsequent political action, send a man to Congress who has covered the business interests of the State with disgrace?

It is influences of this kind, now at work in every community throughout the country in a greater or less degree, that I propose to reduce to a position where they will cease to rule.

MR. ANTHONY: Will my colleague allow me to ask him to whom he refers?

The VICE-PRESIDENT: Does the Senator from Rhode Island yield to his colleague?

MR. SPRAGUE: No, sir. My colleague says it is painful to him. To me there is no pain when gathering instruction from the past for the guidance of the future. He may say that one of the representatives of the power lost his life. True, sir; the million dollars mistook the character of the man on whose staff he was, and placed a member of the family there who fell with his chief. It made some atonement, but where are the one hundred men dead? How atone for a battle lost, a nation humbled, twelve hundred men for life cut off from the enjoyment of believing that their efforts, if properly and courageously directed, would have saved a nation from humiliation, a State from disgrace, and themselves from bitterness. One life does not always repay for a work of this kind. The life must be a great one. We have heard of such a one, but it does not belong to this account. We gather this moral from this chapter in history—that a people under such control and direction become cowards and slaves; and gather this also, that under any other government on the face of the globe death would have been the penalty, not the highest honors of the state.

Mr. President, I will not burden the Senate describing similar influences that worked disaster to the Army of the Potomac. I will forego that for the present. But I am cautioned to exercise policy; that the adversary must be approached in parallel and zigzag lines. Are the people forced into such danger that they can not approach, but under cover, the institutions built by their consent and sanctioned by their labors?

Following out the illustration of the influences I have described as at work in Rhode Island, let me ask the people of my State how they like the increasing growth of these two great houses—my own and that of the great family I have mentioned? They are now at war; suppose they were to join hands; what independence would there be among a people so largely composed of the manufacturing class? Let us understand the whole case. The condition of affairs in our State, which is but

an aggravated one in its application to the whole country, is this, and nothing less. Go back with me to the Middle Ages and see how by personal courage and daring great chiefs sprung up, surrounded themselves with vassals, and intrenched themselves with castles, the ruins of which still interest travelers, though they do not often instruct them. Thus established, baron warred on baron, destroying castles and capturing vassals and lands, and adding them to his own. For a long period leaders and people were occupied in war, and continued so until trade and commerce were established. Is not our situation similar, except that instead of noble daring among the leaders and manly courage and virtue among the people, there are at work those secret influences which make cowards and paupers? Does not the great capitalist destroy and absorb the less, as the great baron destroyed the smaller? And was not the baron who possessed himself by force of the castles, lands, and vassals of another like the great capitalist absorbing to himself the property and business of his weaker competitor? As for me, if I were called which to choose, the condition of the Middle Ages or now, I should choose the former. Then the lands of the people were laid waste by the contending chieftains, and the despoiler aggregated the spoils to himself. Do we not see wasted our lands, our property, our commerce and trade; our business of all kinds absorbed by the great moneyed institutions growing up about us? Will not these great interests war on each other, and whoever triumphs, will not the people, in like manner, suffer and be impoverished? Sir, I certainly think so.

The power of the barons was only checked and destroyed when the barons and people united in the selection of a leader, the better to protect themselves from foreign inroads and from one another. This seems to me significant; but that significance ends when a power at the disposal of the people and the one I indicate is brought into being.

I have illustrated this with a purpose. I have given the history of the influence of money, of the power of money in its operation on the men that influence legislation, society, business, and every thing in this country, with a purpose. It is no easy task for any man to stand up against the overshadowing money-power. I know the essence of money; I know what forces it will bring to bear as well as any man who hears me or who may read what I say. I know that the influence of any one representing simple capital on this Congress, in affecting the legislation of the country, is as certain to be in antagonism to the liberties and interests of the people as in the war instance I have illustrated. I do not desire to point a finger that will in any way destroy them; they are proper and necessary in their

place, but when they come here and use this Senate as their agent, and manipulate laws in their interest to control the whole Government of this country and the people's interest, then I denounce it; then I desire, as the people of the country desire, that there shall be an agency at work that will regulate, that will control, that will reduce them to subjection to the people's interests. There can be no mistake in the picture that I have drawn. Senators must stop and consider. They must see that in the influence, in the encouragement they are giving to these overshadowing powers there is danger; and when they further consider the anxieties, and cares, and sufferings, and poverty, that are growing upon the people every day and every hour, it seems to me that it is time for them to pause and consider if the policy they have pursued is the correct policy. I say it is not; the people say it is not. Then, sir, why not pause and consider whether you are right or they?

The governments of England and of the Continent know that your system of finance, or rather your want of a system, has rottenness in it, and that under it you can not go on and pay your debts. The only danger attending the adoption of the plan I propose is that Great Britain and the other Powers, seeing you establish yourselves upon a sound financial bottom, may seek to prevent you. Will they go to war to prevent you? It is not impossible. They have looked with suspicion at your securities; while those of Great Britain bring ninety to ninety-five at three per cent interest, yours at six per cent bring only eighty. They know yours have no real bottom on which to rest; but they will sell to you as long as you have a dollar to pay for their goods. They will take advantage of your poverty so long as your lands sell at half or a quarter of their value. This is going on at a rapid rate; and you see by the increase of importations—indicative of the unemployment of your people in manufactures, produced by the extortionate rates of interest established for your public securities—that the increase in the cost of your manufactures is so great that the tariff is becoming of no possible protection. But you can not increase the tariff, you can not increase the taxes, and operatives are unemployed. There is a less and less market for your agricultural productions. Existing prices are starvation prices, because your people are in great numbers in the position of unemployment. You can not ship it, as you can not compete and pay the transportation with a production on your part of five to twelve bushels to the acre against a production of twenty-seven and twenty eight; and all you sell at one hundred and forty cents a bushel of wheat here, being equal to a production of seven to ten dollars to the acre, will not pay the labor you put on it; so that

your agricultural commerce is already lost. Your manufacturing and mechanical interests are going the same way, as may be seen by the facts I have enumerated. What, I ask, have you to rely on to give credit or to give strength to national or any other of your securities? Of course, while this state of things is going on the world will look on and laugh at you. That they will send back their bonds just in time to save themselves and take more of your capital now in business is a fact, I believe, patent to every body. The vast amount of bonds now in Europe unsold, on which bills of exchange are drawn, gives a fictitious appearance of strength to your market. I repeat, that it may be that when England becomes convinced that your eyes are opened, that you see your real condition and are about to apply an effectual remedy, and that remedy one that will take from her her supremacy of trade with you; that you will through its means establish your republican institutions upon solid foundations, restore your manufactures and your commerce independently of her—at that moment she may allege a pretext for war upon you. But with a substantial financial system fully ingrafted on your political system you can laugh at the world and defy them all. Without a good financial system you are weakness itself. You will take warning, I hope, by my words. I quote some instructive sentences:

"It is the constant interest of trading nations never to undertake offensive wars for the sake of glory and conquest. They must remain upon the defensive, and not come to an open rupture with their neighbors but upon the utmost necessities.

"This is a settled maxim with all countries that depend upon traffic. But as there is no rule that is not liable to an exception, there are certainly some cases in which it would be the interest of the United Provinces to declare war against Spain, notwithstanding the inconvenience which the republic must suffer from a suspension of her commerce."

Such was the attitude of the Dutch toward Spain. Such may become the attitude of Great Britain toward us.

I look with pleasing anticipations on the results of the measure I advocate. I feel that when it is in complete operation the people will not be compelled again to look to a single man for relief or safety, nor to no party will they surrender their destinies, and to no Congress as a point toward which they must turn their eyes in anxious forebodings. The people will have safety in the strength of their own position. I am confident they will accept my measure, and that they will ultimately protect it as the apple of their eye.

In conclusion, I pray the people of the South to turn from the contemplation of their wrongs, and the people of the North

no longer to blame the South as the cause of their sufferings. Let them come to the conviction that the cause of their troubles is in the imperfection of Government. Let them reflect that an important element in the Government, one that would have given it superior strength and vitality, was omitted. Let us set at once to work to remedy the imperfection, and by the help and blessing of God the bitterness engendered by the war may be done away with, and we, as one people, move onward to permanent prosperity and happiness, and to a higher and higher civilization.

ADDENDA.

Mr. Sherman made a Report, March 3d, 1869, from the Committee on Conference on House Bill, 1744, "To strengthen the public credits and relating to contracts for the payments of coin," in relation to which Mr. Sprague said:

Mr. President, I desire in one word, in behalf of the industries, so far as I know them, of this country, to enter my solemn protest against the passage of this act, a measure calculated, in my judgment, more to assure the repudiation of the national debt than any measure that has yet been enacted; and as certain to result in that direction, if the people are true to themselves. It seems, sir, that the industries of this country, crushed to the very earth in the past three years, are not crushed sufficiently, but they must have this staggering, this most outrageous blow dealt upon them. If there is any measure calculated to prostrate whatever there is in the present profitable occupation of this country, this is it. I affirm to this Senate and to the country, and I shall be borne out in it, that there is no industry, commencing three years ago, that is at all in a profitable condition, except great monopolies and those which are receiving to-day the pap of Government appropriations. Sir, I have not words to express my feeling of outrage at this constant manipulation of the finances, first against the Government, and then against the people, for what purpose? You have contracted your currency nearly four hundred million dollars in three years for the purpose of enhancing its value. What has been the result of it? Have you enhanced the value of the nation's credit? Not one cent. You have prostrated every interest and every industry in consequence of that most suicidal, damnable policy. I protest, therefore, in the name of the industries of this country and in their behalf, representing them as I do, and as I know they at present exist, against the additional load that will be put on them by this most unholy and inconsiderate legislation.

April 3d, 1869. Mr. Sprague arose in his place in the Senate and said:

Mr. President, the people of the United States will suspend their judgment on all newspaper articles bearing on me to my dis-

advantage. The telegraphic summary of my recent speech, as well as the report in the *Globe*, has some material errors. They may be assured that my words and courage do not rest on wine or whisky, or any other stimulant, but upon knowledge of the shrinkage of property and the loss of virtue going on around me. My great anxiety is to effect a cure now. The remedy is now accessible; a year hence it may be beyond our reach.

My leading idea is to correct a condition of things of which the following is, perhaps, an aggravated case, but it is a substantial illustration of the condition throughout the country: a man in Washington has $20,000 loaned out in sums of fifty dollars to the poor, at ten per cent per month, and secured by chattel mortgage. When the victim is exhausted, demand for payment is made, and in default of payment property is sold for one quarter to one half its value. The plan to correct this and to place within the reach of every man of energy and industry capital at a low rate of interest, upon which he can labor and make profits, is the one I have in view, and is substantially the one in use in England, Belgium, Holland, and France—the most prosperous States of modern times—and to exclude the plan we have adopted, which is best exhibited by States like Spain, Mexico, and the South-American States.

I call your attention to a State in the American Union, Kentucky, which has adopted a system similar to that I have advocated. Kentucky, it may be remembered, is the most prosperous farming State in the country. The general purpose is to restore to the market for the use of the people all the capital in the country, in contradistinction to the method now in use of keeping the same out of the reach of the people, and in localized and centralized situations. This is to be effected by the Treasury of the United States, which is to be first made strong in means, and then uses that strength on the market to unlock and distribute hoarded capital. The present danger, in my judgment, is greater than when the rebels fired on Sumter or moved on Washington.

I utter no words that are not deeply considered. In the multiplicity of the thoughts which crowd upon me, my time is too completely absorbed to place them satisfactorily even to myself. A speech that is whole in itself, and requires to be read in full before the point in it can be understood, in my judgment does not meet the case. I desired to make each paragraph understood and mean something. Hence my words and meaning may not have been fully understood by the reporter. I made no attacks on individual Senators prior to attacks on me. I wage war on the legislative and executive power as exercised by this body, and on the disastrous results of its action. If there is any one here or elsewhere who attacks me, I shall move on the enemy's works to the best of my ability. Following out this idea, I shall undoubtedly antagonize myself to those who have been favorites with the people, as was the case in my last remarks before the Senate, and on which

some part of the press has commented adversely. But let it be so; I will not longer sit and hear incorrect statements concerning our condition—our drifting condition—come from whence they may. To cure an evil, we must know its character, and not mistake it.

Let those who think I am "crazed" study as I have done for three years past; let them examine without prejudice, patiently, as I have done, into our exact situation. Ask those around me if there be any substantial difference between the opinions I now avow and those I have heretofore indicated. My present work is to show that the plan I advise will remedy our evils. This will take time and investigation. It is clear as the noonday sun to my own mind; but to prove it logically and with satisfactory reasons is the work to be accomplished now.

The demand for my several speeches will be speedily met. I have had no one, nor have I had time myself, to write a word in answer to the multitude of letters I have received. But I shall send my speeches into every city and town, and on them I stand. The position I have taken would have availed nothing if taken heretofore. The necessities of the people compel them to throw off the influences which have heretofore controlled them. That their action may not have been too long delayed to effect a wholesome cure is the wish of the speaker, who is under no obligation to a living person for what he is. He is for nothing now, except as heretofore indicated, but the opportunity to serve his day and generation.

From the Washington Correspondence of the New-York Herald, April 13th, 1869.

The Workingmen's Association of the District of Columbia, numbering several hundred, according to arrangement assembled at the City Hall, this evening, and, attended by a band of music and a file of torch-bearers, proceeded to the residence of Senator SPRAGUE to tender him the compliment of a serenade. On his appearance, he was greeted with applause and addressed by A. T. CAVIS, Vice-President of the National Labor Union, who said:

"As workingmen, we pay you the compliment of a serenade, to mark our approval and admiration of the boldness and honesty with which you dared to introduce and urge the enactment of a measure designed to relieve the people, and rescue them from the clutches of rapacious banks and grasping money-lenders."

Senator SPRAGUE responded as follows:

"As a representative portion of the people of the United States,

I address you. You are here to-night to show to me and to the world your interest in and approval of the words I have recently uttered in the Senate, believing that those words have given a truthful sketch of the present condition of our affairs, and because also some light has been thrown through the surrounding darkness into the clear sky beyond. The Senate has spoken through its presiding officer, and by his answer has substantially admitted all I have said and claim. When the Senate finds its chairman confining himself to mere personal invective and abuse, and to defending the powers that are closing up all the avenues of successful labor, or independence among the people, and remains silent, what more can I ask to assure me of the correctness of my conclusions? Senators practically admit all I have said to be true. The Senator who uttered the defense is of little consequence, except when, in connection with the harlequin of the Senate, he attempts to ridicule my position and excuse his backers. Failing in both, he may be taught a profitable lesson. Though now the presiding officer of the Senate and the direct representative of the overshadowing moneyed powers I have assailed, he and the party to which he belongs, and the great interests they have so long and so successfully manipulated—Wall street, and Congress—may gather wisdom from the case of their special champion. In his own State, having used him and placed him in front line of fire, and by all the principles of fair play and common honesty being bound to sustain him when pressed by opposing forces that must have prevailed against him, they in effect deserted and turned him over to me, from whom he could have expected opposition rather than assistance; and yet, strange to tell, he occupies his prominent position of to-day solely by my timely aid and my very generous bounty. I was his mainstay and support, and the most liberal contributor to his elevation. Abandoned by those he now defends, he was supported by those upon whom he had no claim, and whom he now assails. Will his old enemies in the future prove more faithful than in the past? Will those he leads stand to their guns in defense of their self-constituted exponent and his flippant utterings in time of peril? No, gentlemen, no; the first breath that comes up from the people and from such assemblies as this will dissolve them away like the mist before the rising sun.

Your House of Representatives, your executive, and your judiciary, are to-day influenced and in effect controlled by the Senate; and the Senate itself is under the control of one idea—*power*, and every agency to advance that idea. Thus it is that the machinery of the Government is so contracted, so narrow, that the interests and aspirations of the people find no proper vent, but are stifled, corrupted and destroyed. The great trouble is, the would-be leaders of the people are dwarfed into mere partisan adventurers, who have cut us off from the greatness and goodness of the past without supplying and bringing to bear in the present superior

intelligence, experience, virtue and courage. Recent events in Europe are my answer to the fears of small States in holding tenaciously to their power in the Senate. If the Senate becomes obnoxious by reason of its efforts to magnify and extend its power, it will some day find itself in the condition of the weak and impracticable petty municipalities of the Old World, with a Prussia at Sadowa to settle the question. Where, then, will be the small States and little communities? I come to preserve, not destroy. There are admitted good reasons at times for compromises of opinion, mainly in arranging and carrying out the details of affairs; but when, as has characterized our whole history, compromises of principle come, forced in by mere party discipline and caucus drill, then the whole people suffer, and float and drift to their ruin. We can not now compromise. The principle we advocate in the interest of the people is higher than mere form of government, or society, or business. Half-way measures will avail nothing now, either in the advancement of the one, or the security of the other. We want settled principles, not wavering compromises. All classes and conditions of the people are anxious for something fixed and determined; not for the present only, but for the future, for all time. Few understand the cause of their anxieties. Something burdens and casts its shadow over all. Is it in the corruptions and shortcomings of officials? Is it the arroganee and power of money and consolidated capital? Is it the debts and burdens of the nation and people? It is the scandals, shortcomings and corruptions in high places, the upheavals and uncertainties of society generally, resulting in all manner of immoralities and crimes. These are seen to the common eye and to the common understanding. These are obvious indications of a wrong state of things below the surface. If the people were gathered compactly in a State, instead of being scattered over a continent, there would be more light then thrown under the surface, and by that light a remedy would be provided far easier than now. As it is, the people are in the condition of a country whose population are unarmed and dispersed over a wide extent of territory, with an invading and destroying army quartered in every household, whose exactions increase every day. All this is intensified and exaggerated by exorbitant rates of interest, and the constant daily want of compensated employment and distributed capital. Nothing but an organization of greater strength and similar character, operated directly in the interest of the people themselves, can certainly relieve the individual and his household from the enemy, (want and the wolf.) My plan is a simple one. It is because of its simplicity that it is not readily understood. It is to use the great debt of the State, national and individual, that is crushing us, as now managed, in the form of capital and power, against the combinations and unscrupulous power of the quartered enemy. When this is effected, the problem is solved. The people are free. In short, we propose to

turn the enemy's guns upon himself. To effect this great object, I shall devote the summer, and the interval of the session of Congress; and on its assembling, I shall present to Congress and the people the building complete, of which the framework only has thus far been presented. Confining myself to a clear explanation of the superstructure as the remedy necessary to the end, I would, if I could, place it before you to-night more fully than I have yet done; but there is a principle involved, and the results beneficial to the people are comparable only to the greatness of the principle. I must bide my time; make haste slowly, that those who act with me on the side of the people may act understandingly, fearlessly, certainly, so that when the smaller organizations of the people come into the great organization and power, which will be certain to follow, there will be no mistakes committed, no errors perpetrated. Clearly seeing the true path myself, and the right, it is now my purpose and object to make it clear to all. I bid you good night. Be true to yourselves, and the impulses and interests that have brought you here. Perfect your organizations; encourage and extend them all over the country. Although a Senator appointed by a single State, I owe equal allegiance and represent all the United States. It is as such I have addressed you. Ponder well my sayings. With the resources and capital I have indicated, in coöperation with the people, organized and in regulated action, led onward by the brilliant star of President Grant—which, be it remembered, always paled at the outset only the better to illuminate and render brighter the clear light of his uniform victories—the great cause of the people will wax stronger and stronger, and must and will end in true, substantial and enduring benefits and happiness to all. Farewell.

(The Governor was frequently interrupted by cheers.)

The following sections from the Bill presented in the Senate, and referred to in his speeches, present substantially the scheme proposed by Mr. SPRAGUE:

SEC. 6. *And be it further enacted*, That there shall be established in the city of New-York a United States council of finance, which shall consist of a commissioner of finance at an annual salary of —— dollars, one deputy commissioner at an annual salary of ——dollars, one auditor at an annual salary of —— dollars, and twenty-four councilors at an annual salary of —— dollars; all of whom shall be appointed by the President, by and with the consent of the Senate. The commissioner shall be subject to removal only by impeachment. The terms of one quarter of the councilors shall expire annually, and after having served two terms they shall be ineligible to reappointment. They shall be selected from men of learning and experience as merchants, and during their continuance in office shall not be engaged in private business. And the Sec-

retary of the Treasury shall prescribe a seal of suitable device for the use of said council.

SEC. 8. *And be it further enacted*, That it shall be the duty of the council of finance to establish jointly with the Secretary of the Treasury the necessary rules and regulations for the proper conduct of the business devolved upon it; which the Secretary of the Treasury shall report to Congress at the commencement of every session; to keep full and true records of its proceedings; to loan, daily, upon proper security, any money in the custody of the Assistant Treasurer, including national bank balances and individual deposits in the city of New-York not required for the payment of the lawful demands on that day upon the funds in his hands, including all moneys derived under the provisions of the first, second, and fifth sections of this act: *Provided*, That no loans shall be made upon the security of the coin notes authorized by this act, United States notes, fractional currency, postage or other stamps, national bank currency, or the circulating notes of any bank or banker; and for all such loans interest shall be paid at such rates as the council of finance shall determine, not exceeding the market rates on the day the loan is made. There shall at all times be retained in the office of the Assistant Treasurer in New-York not less than $75,000,000 in gold coin, the property of the United States. All drafts of the Treasurer of the United States issued for the payment of warrants upon the Treasury, and all drafts of the Postmaster General issued upon money for the use of the Post-Office Department, shall be transmitted to the council of finance in the city of New-York, which shall designate the place of payment and the Assistant Treasurer or United States depositary, who shall pay the same. The power of directing transfers of public money from one branch of the Treasury to another shall be exercised by the council of finance only, whose orders in this respect shall be implicitly obeyed by all officers charged with the reception, safe-keeping, transfer, and disbursement of the public money. The council shall designate such points in the United States as require, in their judgment, the establishment of additional depositories of the public money; and in addition to the powers conferred by the Act of August 6th, 1846, and the acts supplemental thereto, upon the Secretary of the Treasury to designate certain officers of the United States as depositaries of the public money, the President may, upon the recommendation of the council, concurred in by the Secretary of the Treasury, nominate, and by and with the advice and consent of the Senate appoint, an additional number of Assistant Treasurers, such as are provided for by the Act of August 6th, 1846, either at places where United States designated depositories are now located, or at other points or places, as the public interests may require.